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THE SOCIAL BETTERMENT SERIES

EDITED BY

SHAILER MATHEWS, D.D.

CITIZENS IN INDUSTRY

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CITIZENS IN INDUSTRY

BY

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D. APPLETON AND COMPANY
NEW YORK AND LONDON: 1915

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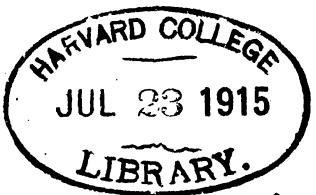

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GENERAL INTRODUCTION

The feeling of social responsibility which characterizes our day has led to severe criticism of various phases of our modern world, and to innumerable plans for social reconstruction. In consequence, the actual achievements of social betterment have been frequently overlooked in our sense of imperative tasks and our distrust of Utopias. Nevertheless, steady advance has been made in correcting evils and in establishing laws, institutions, and precedents looking toward the genuine improvement of social conditions. The present series of volumes undertakes to describe accurately this advance for the general reader. Although written by specialists in their particular fields, the plan and method of each volume are not technical. The great reading public has been pretty thoroughly informed as to our social liabilities; the present series will list our social assets. Such a presentation it is believed will not lead to a complacent optimism, but will serve to reassure the rapidly growing class of those who are ready and even eager to join in all practicable efforts to right evils but who, at the same time, wish to maintain the continuity of social evolution.

SHAILER MATHEWS.

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PREFACE

This volume is Dr. Henderson's last contribution to the cause to which he devoted his life. The last work in which he was engaged was the reading of its proof.

The service which Dr. Henderson rendered the cause of human welfare was largely in the field which this volume covers. True, his interests covered also the fields of penology and charity, but few men of our day have a more accurate knowledge of the conditions affecting the workingman. He was called repeatedly into service by his city and his state to help solve industrial problems as well as serving as the representative of the United States upon the International Prison Commission. His attitude toward the problems of our industrial order was a remarkable combination of the scientific spirit and warm personal sympathy. There are few men who have given themselves as generously or more intelligently to the needs of their fellow-men, and his death was largely due to his efforts as chairman of a commission appointed by the Mayor of Chicago to relieve the condition of that city's unemployed.

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Preface

It is a cause for profound gratitude that in the midst of his overcrowded life he found time to write the summary of the efforts that are actually being made to better the situation of the wage-earners throughout the world.

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INTRODUCTION

The title is chosen to indicate the point of view. It is now generally agreed that all feudal, patriarchal, patronizing factors in industry must be eliminated. One of the achievements of the Industrial Revolution was to take the wage-earner out of the control of "status" and secure to him the dignity, security and personal responsibility of "free contract" in a political and legal régime of equality before courts, legislatures and public administration. Workingmen are justly sensitive to any hint of return to serfdom; they resent any attempt on the part of the employer to direct them in their enjoyments, studies, creeds, worship or political action. They say they want "justice," not "charity."

The patriarchal, feudal relation between employer and employee, which is disappearing in Europe and altogether absent in America, survives in Japan and retains much influence there. The legal protection, even since the factory law went into effect, is very meager; the care of the workers depends on the character and disposition of the managers, which vary greatly.

The Hon. Kojiro Matsukata (D.C.L., Yale), a distinguished manufacturer, proprietor of a newspaper, and statesman of Japan, recently said:[1]

[1] Japan's Message to America (1914), p. 117.

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"There is in Japan a social relationship between employer and employee that does not prevail in your country. It is the relationship of lord and retainer. For many centuries, Japan was under a feudal system where the giver of 'rok' (or annual pension) was the lord, while the recipient of it was the retainer. Such feudalistic relations between payer and payee have not yet altogether died away in this country, though they are gradually diminishing with the capitalization of labor. Even to-day, he who pays wages is allowed to assume something of the mental attitude of the lord—not in a despotic but in a protectoral sense—toward those who receive them. A young man who was earning his school expenses by work in America came into possession of a lengthy letter from his mother left behind in Japan, repeatedly advising him to be loyal to the person of his master; and he looked around to find to his renewed surprise that nobody would claim in the Republic such personal loyalty as his good old mother must have meant. But in Japan there exist many subjects for this quasi-feudalistic virtue. . . . My American readers may think that the comparative scarcity of strikes in Japan is due to lack of self-assertion on the part of the laborers; but that is not quite right. The chief explanation must be found in their active loyalty to their employer's person, rather than in their passive forbearance." Rare and faint are the survivals of this feudal feeling in America.

Our workmen demand "justice," but justice needs a definition; it is a vague word and is used with

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various meanings. For our present purpose it means "good citizenship"; conduct which furthers the life process, which promotes the common welfare, which harmonizes all interests, or tends to do so. The word "citizen" implies legal and political equality, common rights and reciprocal duties, obligation to further the life of the entire people. The special relation of employer and employed is indicated by the word "industry"; since the general principles of social obligation are here to be applied to the contacts and contracts required by the process of producing commodities for the world's markets, for the satisfaction of human wants. No hint of personal superiority or inferiority is suggested by the title "Citizens in Industry," and it clearly describes the relation of employer to employed and of both to the city, state and nation. The word "citizen" also points to a common brotherhood in the realm of ideals, of eternal values.

"Citizenship in Industry" is suggestive of prophecy; it intimates that the modern workingman never can be morally content and satisfied as long as his mind, will and voice count for nothing in the direction of the industry and its product. He may not yet be adequately prepared for that responsibility; his ambition may outrun his education, but he is looking forward to it, and he chafes while he waits.[1]

[1] Shadwell: Industrial Efficiency, i, 177.

"The reign of the benevolent employer is over. He gets no thanks, and the tendency is all in the direction of securing such conditions of employment as will enable the em-

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The illustrations of methods and principles in this book will be drawn from a vast mass of actual cases. While advertisements of particular corporations will be avoided or minimized, specific examples must be used to give concrete form to the discussion. If it were attempted to describe all the known schemes of particular establishments in detail, the result would be confusion, duplication and just complaint of partiality in selection. It seems wiser to present the results of the study of many establishments in compact form, the principles which underlie the whole movement, the inventions which are still in the experimental stage, and the problems yet to be solved.

The conclusions here offered are based on numerous personal visits and interviews not only in America and Europe, but also in important establishments of the great industry in India, China, and Japan, where European examples and models have been adapted to Oriental conditions. No one country

ployed to provide their own benevolent institutions." ii, 170-172.

"Voluntary institutions may be, and often are, more advantageous where they exist; but they affect such a very small proportion of the industrial population—a few pin points in a fifty-acre field—that they hardly count in a general comparison.

"What labor demands in a modern community is not favors, but justice; not gifts, but a fair share of the takings, with the means and the opportunity to provide its own welfare institutions. In itself that is a sound, wholesome and proper aspiration, inseparable, indeed, from the organic development of society."

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has a monopoly of patriotism, public spirit, benevolence, and invention. Ideas quickly travel across land and ocean. The magazines and books which announce new methods of philanthropy are now found in the Parsee, Hindu and Mohammedan counting-rooms of millionaire manufacturers of Bombay, Calcutta, Madras, Lahore, Shanghai, Tientsin and Osaka. The diffusion of the ideas of "welfare work" in the Orient is extremely interesting. One of the most hopeful enterprises of young China is the Commercial Press of Shanghai, publishers of educational books, employing 1,400 persons, with a payroll of about $20,000 per month. The buildings are large and commodious, well lighted and ventilated; sufficient ground has been reserved for the recreation of the employees. About four hundred women and girls are engaged in the bindery and elsewhere. They are permitted to leave the establishment five minutes before the men. A woman is allowed a vacation with full pay one month before and one month after confinement. This establishment is one of the strongest centers of education in China and it sets an example which will be imitated wherever the great industry makes conquests. Wages are good; a bonus is given in proportion to the record and importance of the employee's service, and a certain allowance is set apart as pension for the old retired employees or the family of the deceased. The system of profit-sharing is introduced and the key men of each department are shareholders of the company. Clean and comfortable

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blocks of dwelling-houses can be rented at moderate prices. School privileges from kindergarten to high-school training are maintained for their children. An evening school is also kept for the younger members of the firm, and a self-improvement club, with school facilities, has been opened under the patronage of the company. A small hospital is established for the sick employees. Nine hours' work and Sunday holidays are features seldom found in Chinese workshops. While this attractive example is rare in China, it is prophetic and will be influential as the Great Industry makes its way.[1]

A list of many books and articles is appended which will enable the reader to go much further into special questions than the limits of this book permit. This list is at least a partial acknowledgment of the author's indebtedness to other investigators and students and will be a partial guide to travelers studying "welfare work," or students who wish to secure further details.

If some practical man objects to a discussion of such a practical subject from one who is confessedly a theorist dwelling in an academic atmosphere, the apology may be offered that such a student is naturally as free from partisan bias as anyone can be who has convictions, and that the scientific habit of patient collection of facts and criticism of materials may be some assurance of reliability. "Theory" does not mean a dream or a guess, but a broader view of the facts under consideration and a search

[1] Information furnished by Mr. Fong S. Sec.

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for causal connections. Practice is blind without theory to guide it by a vision of ends and ways, and practice needs the rational justification by proof which a sound theory affords. In Goethe's "Faust," the popular scorn for "academic theory" is expressed in the oft quoted lines:

> Gray, dear friend, is all theory,
> And green alone the golden tree of life.

But those who cite this passage from the great poet sometimes forget that "Goethe knew very well why he put these words in the mouth of the Devil." [1]

[1] *See* Dr. R. von Erdberg: Das Programme der Wohlfahrtspflege.

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CITIZENS IN INDUSTRY

CHAPTER I

THE SITUATION AND ITS PROBLEMS

THE GREAT INDUSTRY

1. Industrial evolution has advanced through many stages and forms of organization.[1] Primitive industries of fishing and hunting passed into pastoral and agricultural occupations. Cannibalism was tempered by domestication of captives as slaves. Serfdom gave the workman a measure of possession but bound him to soil and master. The system under which we live is complex and varied; for the household industry survives in a great part of the earth and competes with the immense shops which are furnished with the finest machinery and steam power. In the great urban centers of manufacture the cap-

[1] For details see Bücher: Entstehung der Volkwirtschaft (Development of Industry).

G. Schmoller: Grundriss der Allgemeinen Volkwirtschaftslehre.

Herkner: Die Arbeiterfrage.

A. Toynbee: The Industrial Revolution.

Von Zwiedeneck-Südenhorst: Sozialpolitik.

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italist management system is monarch, and it has transformed the face of the world. It already shows defects and signs of failure and transformation; the Socialists are ready to inform us that a substitute has been found in their methods; while poets and seers already imagine a system which will supersede Socialism. No organization is permanent; all is fluent and transitory; but just now we have to work with the *capitalist manager* whose achievements are praised, whose faults are cursed, but whose seat on the throne at present is firm. Under this modern system we have not only private property, but control of property used in production in relatively few hands, with a tendency to further concentration of commercial power.

The *industrial group* is composed of a multitude of operatives and their families. These men are equal with their employers before the law, have political power in proportion to their numbers, if they know enough to use it; but in the work-place they are subject to the commands of men who, being in control of all the materials and instruments of production, hold over them literally the power of life and death, except so far as this power is restricted by fear of strikes, humane sentiment, or by regulation of law.

2. *The great industry,* in its social aspect, is a form of coöperation between capitalist managers and operatives for the production of goods wanted by the community.[1] The immediate motive on one

[1] J. A. Hobson: Work and Wealth.

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side is profits, on the other wages, and what these will buy.

The *modern great industry* is, from the social point of view, an organized method of coöperation in production; individuals find it a divider of men into hostile camps. This paradox arises from the fact that the elements in production must combine or be sterile—*land, labor, capital and management.* Isolated they are barren; only in coöperation do they bring forth commodities which satisfy human wants. The contradiction is real, not imaginary. The very situation gives occasion for friction, irritation and conflict. The employer and capitalist manager establishes a business to gain profits; if labor costs him more, profits are less; at least it seems so to the paymaster, and sometimes this is true. The very phrase "labor cost" means different things to the men in opposition: to the manager it means money paid out for wages, possible abstinence from luxuries and risk of the investment; to the worker it means sweat, toil, weariness, pain, danger, exhaustion, a daily surrender of vitality.[1] The antagonism

[1] J. E. Cairnes: Some Leading Principles of Political Economy (1874), p. 75. The "cost" of labor involves the elements of duration, severity or irksomeness and risk of injury. "In the usual exposition of the doctrine of cost of production the only risk taken account of is that incurred by the capitalist; but this is merely a consequence of that habit of contemplating the work of production exclusively from the capitalist's standpoint." Compare J. A. Hobson: Work and Wealth, ch. v, where this idea of Cairnes is developed.

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of interest may be softened, modified, attenuated; it cannot be entirely removed by any means yet discovered. Rough justice must ever take the form of estimate and compromise, until social science can make its calculation of values much more exact than it has yet been able to do, and laws and legal tribunals have been evolved for an equitable division of the product. The most advanced employers will try experiments which will help to supply the data for a judgment when the time is ripe for law.

There are cases where the laborer is fully recompensed for more costly self-sacrifice by corresponding advantages; and there are situations in which the employer finds higher wages and better conditions to be a wise and paying investment. But the area of advantage in expenditure is limited and its boundary soon reached; then a real conflict must be openly faced and a tolerable compromise accepted as a condition of continued coöperation.

In strikes and lockouts we see the antagonism in flame; but the ashes which conceal strife are never quite cool; the volcano always rumbles and smokes so long as there is a hot place down below. Socialists tell us that the conflict can never cease until the whole people, through some form of representative government, controls the process and the distribution of the product over which the battle wages; but that question is for the future.

3. The compromise of mutual understanding is reached with more difficulty partly because the *great industry* has made personal relations difficult or even

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impossible. In the petty relations of fishing, agricultural and village industries, master and man talk out their difficulties while both are toiling side by side. The journeyman knows quite closely the profits of his master and what it is possible for him to pay in wages. But in a great steel mill, or on a railway, the capitalists are thousands of unknown stockholders, the managers are great men in mahogany furnished offices, far off as heaven. The president sits on Olympian heights, twenty stories up in Broadway or Wall Street, New York; while the section hands or miners in Colorado wonder vaguely how the "old man" looks. We may regret the good times long ago when employers and employees were comrades; but weeping will not save the ancient system. The impersonal corporation, with no body that can be kicked and no soul to feel pity or remorse, has displaced the visible and tangible owner who was himself a workman. It were as childish to wish for the moon as to sigh for an organization which is buried beyond recall.

4. The social necessity of some kind of harmony and adjustment is apparent. The waste and loss of social friction are enormous; political stability is in peril from class conflicts; there is a recrudescence of savagery in "sabotage"; victory of either side after a strike is purchased at awful cost no matter who wins or loses; men are degraded by the hatred engendered; civilization is impeded; health is ruined and offspring are born feeble. It is this civil war which has induced men of high character to seek at least

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palliatives of misery in acts of kindness and conciliation.

5. There are many signs of a conscious recognition of the need of harmony between employer and employees, and on both sides. The party in power must of course make the advances; the party at present in power is the capitalist manager.[1] The capitalist managers, including the great financiers, have a position of advantage and power above that of ancient kings. A small group of bankers controls the destinies of millions; not absolutely, but in great measure. They are quite willing the world should believe that they are the great men of the age. Their contempt for men of rank in other

[1] A representative of good-natured employers has thus expressed this growing recognition of a new era: "Consider for a moment that almost anything on four wheels was selling from ten to fifteen years ago, that the entire country had suddenly waked up to the fact that pleasure makes for efficiency; that in the old days men responded to pain but now to pleasure; formerly to fear, now to hope and ambition; formerly that they had to be driven and now that they have to be enticed. Summing it up, in the old days in general they advanced because of fear of hell-fire, and now they advance in hope of some day riding in an automobile."—Arthur E. Colvin.

This seems to be an echo and practical application of the social doctrines of Professor Patten to the effect that the civilized world has passed from an age of economic deficit to one of surplus, and hence from a "pain economy" to a "pleasure economy" which abolishes fear and asceticism from morals and theology and calls for harmonious, just and rational enjoyment of increased production.

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professions is only too frequently manifested in forms which beget deep, rankling hatred, not only among wage-earners, but among salaried people. The manager of a great mill, factory or railway, determines the physical, moral and spiritual conditions under which human beings must toil all their days. Evidently such colossal power, inevitable under capitalist management, must be held responsible for what it does, or the world is enslaved. History shows no instance of irresponsible power which did not destroy the character of its possessors, whether in army, church, state or business. A special claim is set forth by the most powerful combinations of capital, precisely those which are most unpopular, the most conspicuous targets for criticism and unfavorable legislation, that they can do most to promote the well-being of the employees. Thus a representative of one of the large corporations [1] said:

"Such combinations, to my mind, would be managed by able, fair-minded men who, though naturally engaged upon utilizing the money intrusted to their care by the stockholders, in the most profitable manner, are at the same time conscious of their social obligations to their employees, their customers, the community in which they operate, and to the people at large; and, in addition, possess the imagination and foresight to realize that such broad-minded con-

[1] Mr. Magnus W. Alexander (General Electric Company): *The Annals of the American Academy of Political and Social Science,* July, 1912, 134 ff.

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ception of duty and obligation will in many ways help, and in no way hinder, the accomplishment of their legitimate business purpose." But can society count on the voluntary appearance of such managers and on their taking this view of their duties, so long as they are legally in a position where they can do as they please? Does experience teach us that almost royal power tends to develop in the administrator's respect for the right of citizens, either consumers or workmen, unless there is some agent of public authority to enforce responsibility?

Mr. Cyrus H. McCormick certainly is a representative capitalist manager, and of the highest type. The following statement may be taken as illustrating the nobler view.[1] Mr. McCormick said:

"There are several companies that have gone farther than the harvester companies in making investigations and installing work along these betterment lines, but we are making a constant study of the question. We purpose making as much progress in it as is consistent with certitude. We do not want to begin any work and then find a little later that for one reason or another it must be dropped. We do not believe in publicity for it. In many ways its best purposes are defeated by wide advertisement. The only excuse for talking about work of this kind is the hope that it may assist some other employers in different parts of the country to know along what lines good results have been obtained.

[1] J. K. Mumford: Article, apparently an authentic report. *Harper's Weekly*, July 11, 1908, lii, 22 ff.

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The problem in formulating any system of the sort is to find a common platform from which both employer and employed can view the thing; and then again to determine the point where business judgment and the instincts of humanity can meet and agree upon conditions which can satisfy the most rigid tests when regarded from either standpoint. The elements to be reckoned with are many, and some of them are difficult quantities, but personally I do not believe the common ground is so hard to find if it is sought in a wholehearted, disinterested and honest wish for conditions that shall be better for both parties. It is doubted by many, but to my mind has been practically demonstrated that a business can be successful and still not be devoid of sentiment. The employer who wants the people in his business to work under the very best possible conditions as to hours, wages and surroundings, and who feels happier when he knows this state of things has been obtained, the employee who takes satisfaction in his work because of the improved environment, and because he knows that in providing it the employer has no ax to grind—these two men cannot, in the nature of things, remain at loggerheads; and in their coöperation there can be no question but that the utmost advantage comes to both. There are tests, however, that must be applied at every step of the way, and anything proposed which will not stand these tests had better be abandoned before it is begun, for it is certain to fail in the end. For example, I should say the test of reasonableness was

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fundamental. Extremes on either side are death to welfare undertakings. The employer who makes such elaborate outlay that employees and observers generally are convinced there is in his action a large element of advertising, or of self-gratulation, is likely to find his work fruitless. The man who cannot truthfully tell himself that in his effort to better the condition of his employees there is absolutely no desire to put them under obligation, might as well wait until he can, for there is no man more sensitive to atmosphere and impression than the workingman; and, undoubtedly with good reason, he is more suspicious where his employer is concerned than with any other being. He is glad to have facilities of all kinds and better conditions to work under. Anybody would be, and the surroundings in which people have been compelled to labor in many instances have been disgraceful. But he is bound to resent any amelioration if there has lodged in his mind the least suspicion that these improvements are merely a means to an end, a bait put forth by the employer to gain some additional advantage. There have been too many decades of uncomfortable experience for the workingman. What wonder that it is hard for him to believe that the man who pays him his wages is wholehearted and disinterested in doing things which under the old system would have been counted manifestly outside of the regular line of business? The average workman has not yet reached the point where he can believe that an employer is willing and even glad to do

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these things because the benefit from such an undertaking is common to them both. He will not approve of betterment in conditions nor accept it, if he thinks that he is expected, by reason of that acceptance, to forego his claim to fair wages and decent hours. And nobody can blame him. It must, in short, be clear that the whole affair is mutual: that the employer is glad to appropriate part of his net earnings for the improvement of the conditions of labor; that the employee gives better service of heart and hand because he can naturally do so under good conditions more easily than under poor ones. And, finally, the mutuality of the arrangement should be so lived up to that each party shall honestly believe he has the good end of the deal. The manner, too, in which this work has been done in many cases, has made a failure of it. There cannot be any paternalism in the atmosphere, nor any suggestion of condescension. The workman in America is not looking for donations. Nor can the work be carried to that extreme of lavishness where it bears the mark of a fad. It is easy to push the thing so far that all hands can see it is really a hobby and a vanity and not a rational, advantageous system; and, indeed, it is rather difficult to know just how far to go in spending money, where the expenditures may easily come to be a drain upon the earnings of the business. So, you see, when an employer, either corporate or individual, undertakes a work of this kind, there are stumbling-blocks and pitfalls almost without number, by which the best-meant efforts may be brought

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to worse than nothing. The work is so comparatively new that it has not yet by any means been reduced to an exact science. Industrial employers are really groping for knowledge of what to do and what not to do, employees are in an attitude of doubt and partial distrust, and the whole outcome of the undertaking in many cases hangs upon a hair. By and by experience will have confirmed much, but of the wisdom and justice of the general purpose there may be no doubt. In our company we are endeavoring to consider it from a business standpoint and not from a humanitarian one. It is difficult to dissociate the two. If an employer followed his humane impulses without the check which business judgment applies, he probably would soon be running his business plant at a loss, and in a short time would have no employment to offer. But from the standpoint of pure business, it is highly desirable that conditions should be improved. In the first place, the moral effect on the attitude and energy of the workman is great, and thus indirectly the work is benefited. But perhaps even more important is the reflex influence upon the employer and on the entire business. There is a point where a work of this sort pays good returns to the stockholder as well as to the employee, and aside from this there is a personal satisfaction to the superintendents of plants and to the managers of a business when they discover that they are able, without lavish expenditures or unnecessary waste, to see that business is conducted under such advantageous conditions. In

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a company of large size, with diversified interests and many employees, it is difficult to move as rapidly as may be desired, because a new problem arises at every step. A work undertaken at any one plant of a company cannot be adopted until it is decided whether it can be installed at the other plants so that no partiality shall be shown. Another difficulty arises from the employment of many classes, for each must be borne in mind and recognized in proportion to its standing in the business. The danger in such a case is that the benefit will be spread out so thinly that no one class or one set of employees will get enough practical advantage from the work done."

After Mr. C. W. Price, who for a time was at the head of the welfare work at the International Harvester Company, was rebuked for having sold himself to a trust, he said: "You seem to have overlooked entirely the possibility that the trusts may be in earnest in trying to do some good."

6. Public opinion has become not only more sensitive, but more intelligent. *Noblesse oblige.* Society has thus far shown willingness to protect the lives and property of those who amass these incredible fortunes and who enthrone themselves in positions which make ancient emperors seem paupers and weaklings. But the tacit assumption is that this grant of power is accompanied by affirmation of corresponding responsibility, and this implicit claim is gradually taking distinct form in legislation. Public opinion is slowly clarifying itself by demanding

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a more adequate and scientific analysis of the conception of welfare. Men are refusing to give the last word to mere economic considerations, and they are sharply asking for information on the costs of production in health, race vigor, intelligence, happiness and character of the working people and their families. They are increasingly inquisitive about the real meaning of "national wealth." Perhaps, they think too much humanity is consumed to create endowments for parasitic families of leisure, endowments which must be replaced by labor at intervals of twenty years without any efforts or services on the part of those who hold the titles to property. Perhaps it would be wiser to have a somewhat smaller material product, with fairer distribution and better citizens.

Dr. Felix Adler, who is eminent as a prophet of ethical idealism, voices our national protest against the idolatry of production:[1]

"But, however this may be, certain it is that the gospel of work in its narrow and unjustifiable sense has become the gospel of this country. What is called the "industrial spirit" is abroad in every so-called civilized land, but nowhere does it display itself with so little check as among us. Work for the sake of work is the watchword, and by work is meant increased production; and this is the idol to which we sacrifice the soil, the trees, our own health,

[1] Felix Adler (New York City): Annual Address of the Chairman of the National Child Labor Committee. *Annals of the American Academy,* Mar., 1910, 1 ff.

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and the children. We are hard toward them because we are hardened against every consideration which can check increase of production; because we are under a spell—we are ruled by a fixed idea. And this, to my thinking, is the real reason why it has been so difficult to secure the abolition of child labor despite the earnest interest of so many persons in this movement. This is the real reason why we find opposition in quarters where we should least expect it; why we not infrequently find that the so-called best men in the community, the men who are known as the pillars of charity in their neighborhoods, are the most obdurate adversaries of our cause. Business and sentiment, they think, must be kept distinct. Business requires increase of production; and since even a child's feeble strength, in connection with modern machinery, is capable of adding to the heaps of products, it seems to them a kind of law of nature that even the child should be drafted into the ranks of labor, no matter what the ulterior consequences may be."

The public has been at a disadvantage in its criticism. Humane men have been convicted of misrepresentation even when they wished to be fair and reasonable. Business has hitherto kept its secrets, and men of affairs have regarded loquacity as a vice or weakness. In this respect business resembles war with its deceptive strategy. Under the spell of traditional individualism, the manager of affairs has believed that the public had no right to ask him about his conduct. When manifest evil has resulted from

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his methods; when children have been robbed of childhood, workmen of health, and the public has been charged with the burden of paying dividends on watered stock, and the voice of protest has arisen, the managers have often replied that the orator, the editor and the preacher were ignorant of business and did not know the facts. This was often true, because many of the facts were purposely hidden.

Recently the necessity of publicity has become so evident, as in the case of railways and insurance, that a much larger measure of investigation and report has been accepted, and, consequently, criticism has more reliable material for its work. It is ridiculous to affirm that the business management of a huge corporation which affects the health and enjoyments of millions of people is a mere private affair; so ridiculous that the more sincere and sagacious magnates are ready frankly to admit the absurdity. But they have a right to demand in the name of the public welfare as well as their own interest that the public inspection and control shall be free from mean partisanship and be intelligent, competent and fair. The utmost publicity is the best protection for all groups of interests involved.

Public opinion ultimately shapes a program for the realization of its higher demands. In Germany, where a "social policy" has been in process of development for ages, even from medieval feudality, there is a scientific literature on the subject. In America we are only at the beginning of a conscious development of such a policy, part of which includes

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the voluntary activities of enlightened employers, which are the subject of the present discussion.

WELFARE WORK

7. "Welfare work" is a form of voluntary activity of employers for the betterment of conditions of employees, by methods which are not yet incorporated in legal institutions. This definition would exclude measures which are essential to the existence and conduct of the business itself; as, for example, where a corporation, having erected a mill far from towns, is compelled to build boarding houses and dwellings as a condition of securing laborers. So far as the employers try to make these dwellings comfortable and attractive beyond mere necessity, the element of "welfare work" may be recognized.

In a country where social insurance and protective measures are legally obligatory, the accident and sickness insurance and old-age pensions are not dependent on the goodwill of employers, but in the United States, where law has not yet developed far in this direction, there is large room for voluntary action.

A German writer thus gives these directions as to fixing the meaning of the term:[1]

a. Exclude all those features in which the interest of the employer is as great as, or greater than, that of employees: for example, a compulsory savings

[1] Dr. Heinz Patthoff (Dusseldorf): *Soziale Praxis*, Feb. 1, 1912, xxi, 551-553.

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fund which serves the employer as a reserve fund or running capital; or a building association, if the building of houses in the neighborhood of the factory is necessary for the business; or a canteen, a consumers' league, etc., by the installation of which the employer gains.

b. Exclude all those features for which the employer himself does not actually make expenditures, those which the employees themselves conduct independently for bettering their condition—such as a savings fund which pays the ordinary interest; sickness, death, and pension funds to which the employer does not contribute; building of houses, the rent of which pays the interest in full.

c. A savings fund used in the business, even though it pays larger interest than ordinary, is not to be considered a welfare feature, because the employer reaps larger advantage from it than its cost to him; the interest is not at the employer's expense but comes from the profits of the business; similarly, pension funds and the like.

d. If through the working agreement the employee is compelled to contribute to welfare features, these features must comply at least with the conditions which are prescribed by law or custom for business enterprises of like kind.

e. The employee should have a share in the administration of welfare features.

The boundaries between voluntary arrangements of employers and compulsory methods enforced by law are constantly shifting. What was philanthropy

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yesterday is statute to-day; yet philanthropy has for centuries pioneered the way for action of the State.

8. The purpose of welfare work is to build up a community of interest in work and life in such a way as to unite workmen and managers in an effort to prevent misery, and to make the work itself a means of inner satisfaction, and the relation one of common striving for the same end, of mutual helpfulness, and of material and ideal progress.[1] The purpose must, therefore, be social and not merely private and selfish—civil and not merely personal.

9. *Attitude and Motives of Employers.*—So far as motives are concerned, we are dealing with invisible and unverifiable factors. It would be very interesting to be able to prepare a mathematical formula which would represent accurately the composition of the incentives which led to the introduction of clean towels, baths, restaurants and rest-rooms, as philanthropy and religion 50 per cent.; hope of larger product, 25 per cent.; political aspirations of the patron, 10 per cent.; miscellaneous, 15 per cent. Such estimates may be amusing, but they are scientifically absurd.

Since we must abandon all hope of measuring the force of the various elements of inducement, we shall not go far wrong if we give generous credit for the subjective feelings and spend our time and strength chiefly on studying the objective facts and results of the plans and devices.

[1] Aufgaben, und Organisation der Fabrikwohlfahrtspflege in der Gegenwart (1910), p. 1.

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Under what conditions is "welfare work" advisable from the standpoint of pecuniary advantage to the employer and, therefore, most likely to be extended? The answer is: In any case where the increased efficiency and product cover, or more than cover, the cost. It is sometimes difficult to measure this cost and the value of the increased efficiency; but the principle is clear.

It is possible that welfare work may pay as an element in advertising; it may attract customers and gain reputation for the brand of goods which seeks a market.

The firm which has a monopoly of the business, or a control of patents, may easily do for its employees what a competitive firm, manufacturing staples, may be unable to do. In case of monopoly, the public, the consumers, pay for the comforts and advantages in higher prices.

A related situation is that where a firm sells for fifty cents a package which costs it ten cents to make. Here again the consumers pay for comforts, while the firm gets fame for its liberality.[1] When a cereal food product is sold at a price which makes a barrel of flour cost the consumer $25 to $50, it is clear that the manufacturer has a wide margin for presents to employees.

"No matter how much the manager of a business may wish to run it for other things exclusively, or for dollars exclusively, he will find that one is not at-

[1] Duncan: The Principles of Industrial Management, 101 ff.

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tained without the other. He is forced to run the business for the dollar if he wishes to make an ideal organization for each member of the human family included in it. And vice versa, he must work toward the best conditions for all the workers if he wishes to protect the capital invested by making a stable and fairly long-lived organization." [1]

We must notice the occasional capitalistic opposition to welfare work and its grounds. Mr. C. W. Post, once president of the National Association of Manufacturers, voiced the feeling of managers of a certain type: "I am not a warm advocate of a lot of foolish, misapplied, maudlin sympathy that has paraded under the name of 'welfare work.' I don't provide any marble bathtubs, lecture-rooms, stereopticon pictures, free libraries and reading-rooms, or free lectures. . . .

"Men who understand workmen at all realize that first and foremost they do not want to be subjected to a lot of gifts and charities that would place them under lasting servile obligation to the donor, their employer. Their subconscious manhood rises in revolt, and they hate to meet the boss on the street. They are embarrassed and don't feel right. The American workman wants an honest, first-class price for his labor, and then he wants to be let alone to follow his own ideas as to his ways of life and the use of his money. If he is badly in need of a book, there are ways that he can get one without being under obligation to the boss for it. If he wants a

[1] Hartness: Human Factor in Works' Management, p. 68.

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bath, the same thing is true. Pay men the highest standard of wages and they will pretty well take care of themselves. The welfare work that I believe in is that which makes it possible for the man to help himself, but it does not include the holding of a milk bottle to his lips after he is weaned." [1]

On the other hand, a more critical and sober attitude is taken by many employers who see the advantages of welfare work in better personal relations. For example, a certain firm treated its employees according to the best standards and won their confidence by courtesy and justice. At a critical time of depression, when goods could not be sold and it required credit to carry the unsold stock, the employees sent a committee to the managers to offer all their savings for the use of the company, if needed.[2]

One strong firm explained its reasons, and stated its creed as a belief in "sympathetic, coöperative fellowship of employer with employee, a fellowship of purpose and interest, established not upon the plane of paternalism, but upon the plane of recognized and honored rights." [3] With this in view one man is

[1] *The Survey,* Aug. 16, 1913, p. 632.

[2] W. H. Tolman: "Model Industries," in Peters' Labor and Capital, 312 ff.

[3] F. W. Ramsey (Cleveland Foundry Company): Article, "The Employers' Obligation to Safeguard Machinery, and the Compensation Plan." National Civic Federation, Tenth Annual Meeting, 1909, p. 59.

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hired to devote most of his time to devising ways of diminishing hazards.

Since generous examples are contagious, it may fairly be said that it is the duty of corporations to give publicity to their efforts to improve conditions. Dr. Joseph A. Holmes, Director of the Bureau of Mines, said at the first Coöperative Safety Congress:

"The most inspiring thing in this whole situation is the spirit of coöperation, and I am delighted to report that in the mining situation to-day I am finding the heartiest coöperation between the miners and the mine-owners, and I hope we will also have the co-operation of the general public in being fair to both the miner and the mine-owner. . . . We all realize how important is public opinion, and, in my judgment, one of the greatest mistakes the large corporations are making to-day is that they are not coming forward and letting the public know the good work they are doing."

In the numerous methods which are to be discussed, we shall be able to discern indirectly the reasons which explain the creation of these kinds of schemes for the improvement of the lot of workers in shop and home.

10. *Attitude of Employees.*—Not without some reason many employees have objected to all forms of service which depend on the voluntary concessions of the employers. The modern workman, happily for civilization, is exceedingly sensitive to anything which suggests charity. Unlike the medieval serf or mendicant, the urban operative of our day

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feels degraded and insulted by the offer of alms in any form. He sometimes discovers an offense even where none is intended. The operative who has identified himself with the trade union and believes this to be the chief bulwark of his interests is instinctively antagonistic to any scheme which tends to separate him from his fellows and to identify his interests too closely with those of the employers. He does not wish to accept favors which interfere with his freedom to move to better conditions, or to strike when his comrades call.

The enlightened operative desires, so far as possible, to have his claims rest not on the caprice or benevolence of his master, but on the solid and permanent basis of legal contract which can be enforced in courts. If the favor granted him cannot be thus assured, it is not attractive to him. Occasionally the operatives believe that gifts and favors are thrown to them to divert attention from crying wrongs, to make them silent under intolerable abuses, and to allay public criticism. There have been instances where the corporation furnished houses to workmen at low rents but held over them threats of eviction at the least sign of resistance to their demands.

In some trade-union criticisms, the note of distrust is marked and little credit is given for altruism. In an analysis of the schemes of betterment chronicled in a government bulletin they were all explained by pecuniary advantage. Some of the plans save time and material, as when improved lighting en-

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ables the workmen to speed the process and secure a better product. Cleanliness of the place is necessary where food products are handled and the consuming public is easily disgusted. It pays to conserve the health, safety and lives of workers, since change requires expense and effort to select and instruct new men, while injuries cause expense in damage suits and expenditures for compensation. Regard for comfort and security develops a sense of loyalty to the establishment. "Welfare work is a sop to labor." A corporation introduces an insurance plan and cuts wages to meet the cost. There is no welfare work where men are organized; because the supreme purpose is to keep out the unions. Business men make a pretense of offering something for nothing, and that is not business. Real welfare work is fair wages and shorter hours of labor. If what is called welfare work were supplied by the unions, they would get the credit and become stronger.

Probably the attitude of Mr. Gompers, President of the American Federation of Labor, may be taken as typical.[1] After commenting on some of the methods of welfare work, and showing that none of these goes beyond the requirements of enlightened self-interest and common decency, as supply of pure water, baths, clean towels, good lighting, etc., he concludes: "It should be clearly understood that an employer who employs numbers of workers in his establishments places them under an organization

[1] *American Federationist,* Dec., 1913, p. 1041.

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where they individually have no control over environment, and are unable to furnish for themselves even the most necessary things such as water, toilet provisions, and things of like nature. Any person who is in any degree responsible for the well-being of human beings, cannot with good conscience disregard the obligation. If he has intelligent imagination and foresight he will refuse to poison the bodies and lungs of the workers, or to permit them to render their product unfit for consumption, to ruin their eyesight or to mutilate their bodies. He will do these things to satisfy his own sense of decency and justice, and anything less would do violence to his conscience and cause him discomfort. Such deeds are not favors, but only a decent respect for humanity. The spurious kind of welfare work, intended only to rob the workers of independence of action and of just compensation, has met with deserved discredit and disrepute. Justice, not charity, is the right of all the workers. Let welfare work become what it should be—conscience work."

Another union representative said: "Welfare work chloroforms the worker and gets the better of him. The unionists want to help themselves. They do not want to be the objects of patronage. It is a noticeable thing that welfare work stops when shops become unionized. Shops which give turkeys at Thanksgiving stop giving turkeys after the men form unions, but the men can buy turkeys several times a year, if they care to do so, with the increase in wages. This seems to be evidence that welfare

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work is used to keep the men from organizing."—Mr. Frey.

In at least partial answer to the objections of wage-earners it has been urged: There is no great danger to protective legislation from welfare work, because the press, the extension of the suffrage to all adults, and the secret ballot, all backed by a growing public sentiment, furnish a guarantee that social legislation will be steadily developed to meet all the dangers of industry. Discussions and investigations in legislatures keep criticism alive.

The "patronage" factor tends to disappear with the education of the working people and of their employers. The welfare work brings an advantage to the manager only when it is acceptable to the employees, for only then is it an inducement.

The assertion of legal rights is not likely to be weakened because the state organization of inspection, independent of the employers, becomes more and more effective. The abolition of "truck laws" has removed one ground of complaint and source of abuse.

The fact that employers profit by their expenditures on beneficent schemes is quite consistent with an equal or even greater gain to the workmen. It does not seem to be generally true that the rate of wages is lower with firms which furnish extra advantages; generally higher wages go with each additional comfort and privilege.

As has been said, it is generally agreed to accept the principle that all "paternalism," feudal, patri-

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archal, patronizing elements must be excluded from the relations between employers and employees. The reasons for this are manifold. One of the essential achievements of the *industrial revolution* has been to take the workman out of a condition determined by status and secure to him all the dignity and security of freedom of contract. In this relation the employer and employee are supposed to be on a level of legal equality. This advanced position was won at such cost that intelligent workingmen will never surrender it, and they are exceedingly and justly sensitive to any indications of encroachment. The workman has won and intends to keep his right to his own career and his own personality. He wishes and wills to enjoy himself in his own way, so long as he does not invade the similar rights of his fellow-citizens. He resents any kind of direction of his appetites, his tastes, his enjoyments, his reading, his worship, his creed, his exercise of political rights.

Legally and politically he is the equal of his employer. When he makes an oral or written contract to labor, his obligations are defined and limited by that contract, or what is implied in it, by law and custom understood of all parties.

The aspiration of the workman to be a true cause, is a real factor in the direction of forces which affect his interests. Mr. John Williams, President of the Amalgamated Association of Iron, Steel and Tin Workers, Pittsburgh, voiced this ideal: [1]

[1] *Annals of the American Academy,* July, 1912, 3 ff.

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"The workingman loses his individuality as soon as he enters one of our modern industrial plants. He becomes but an atom in the great aggregate of this industrial system, and his only hope of regaining his social and economic individuality is by uniting with his fellow-workmen in a movement through which he will be able to secure a joint bargain with his employer for the labor he has to sell." In other words, he asks "justice" and nothing more; certainly not gifts of charity. But again what is "justice"?

There are managers who insist, in their reaction against welfare work, that they buy labor just as they buy iron or wagons; that their moral obligations are fully met when they pay market or contracted rate of wages. "Justice" has an insistent way of pushing to the core of problems. Is the analogy between "labor" and iron or wheat exact?

"Labor" is an abstraction and has no concrete reality; what we mean are laborers, and laborers are human beings with nerves and capacity for suffering which iron ingots have not. Even in the case of horses or mules, a manager of business cannot claim to treat them as iron or wheat; for they have nerves.

The employer to be "just" must take into account the rights of the community, the nation, the race; he has no right to exploit the vitality of the people for his personal gain. "Justice" is no longer defined from a merely individualistic point of view; it is a social product, is social wealth, and is socially defined and guarded.

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The treatment of employees is regulated by law, which is the rule of the will of society expressed in legal and authoritative form. The requirements of "justice" are no longer left to private and irresponsible persons to fix by caprice; they are discussed in public, formulated in the light of conflicting criticism, and finally set down for the authoritative regulation of relations between men. It is not safe to leave such matters of national interest to private parties; and they are not so left. The laws relating to child labor, women workers, factory inspection, comfort, health and safety, liability and compensation for injuries, are concrete examples of public definition of the duties of employers to employees.

These laws are based on justice, not charity, and they contain a body of regulations which is constantly growing and widening and becoming more precise and exact. This is legal justice; and it has now entered into the shop, the mill, the mine. All voluntary generosity must start with this legal ground and take it for granted.

11. *Typical Comprehensive Plans.*—Before we take up particular phases of betterment devices for description and criticism, we may select a few examples to exhibit the system in which particulars find their places.

A type of the better German welfare department, that of D. Peters and Company, is selected.[1] This company has a special department for welfare work. There is a council of "elders" of sick mem-

[1] Shadwell: Industrial Efficiency, ii, 175 ff.

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bers; a member of the corporation is chairman, without vote; four members are named by the firm and four are selected from the general assembly. The duty of the council is to examine the accounts; to look after cases of need and misfortune; to supervise the conduct of the younger work-people; to encourage them to improve their leisure time; to combat rough behavior and drunkenness; to secure observance of factory rules, and to prevent waste. As representatives of employer and employees, they make regulations, fix piecé-work price lists, and hours of work, and adopt measures to avert danger and increase efficiency. The sick benefit club is the legal organ of sickness insurance. All employees are required to belong to the savings bank fund. Married men deposit 5 per cent. of wages and unmarried men 10 per cent. Interest at the rate of 6 per cent. is paid on sums less than $500; after that the depositor disposes of his savings as he pleases. There is also a voluntary savings bank, which pays 5 per cent. interest. There is a relief fund for the assistance of persons not protected by the sickness insurance law. Pensions are provided for by law. The workmen are helped to build homes.

There is a large building for the use and enjoyment of the people. Bathing facilities are provided, and the fees go to the relief fund. A steam laundry charges $1.25 a quarter for each family. Wages are relatively high, and hours of work have been gradually reduced by the firm.

A Typical American Corporation.—The Milwau-

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kee Electric Railway and Light Company has developed a rather complete system, a description of which gives a tolerably fair example of the type. The welfare department has for its object "to promote the well-being, the happiness and the contentment of its employees." Membership in the Employees' Mutual Benefit Association is voluntary. It provides for medical care, sick benefits being granted in case of illness of more than one week. Representatives of the Company visit homes when there is sickness or other misfortune, and employees call at the office of the welfare department for advice. Sick children of the workers are treated medically at reduced rates. The educational purpose of the department is made effective by encouraging the use of the public library, a branch being established in the public service building, and the reading-room is furnished with technical magazines. The educational aim is defined as preparing "the individual to reach the highest state of efficiency possible in carrying out his life-work." The educational value of play and recreation is recognized in the maintenance of a band, an orchestra, a men's chorus, a dramatic club, dances, entertainments, poolrooms and bowling alleys.

The economic interests of the workers are promoted by a pension fund which provides an income for those who reach the age of sixty and have been in the employ of the Company for fifteen consecutive years. Employees who find it necessary to borrow are not driven to the pawnbrokers. In the year end-

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ing March 1st, 1913, 344 loans were made ranging from $10 to $100 each; a total of $13,740.50.

The importance of suitable homes is recognized by assisting families living in unwholesome houses to move into better quarters in the less congested sections of the city.

Even in such a delicate matter as marital troubles, the agent of the Company, a person of tact and fine feeling, has been able to secure reconciliation and readjustment of the relations of married people, thus saving them and their children from disgrace and misery. Manifestly such work as this cannot be bought with money. A magazine is published whose purpose is declared to be "to strengthen the bond of fellowship, the spirit of mutuality between man and man."

The safety work of the Company includes: safeguarding machinery, making various kinds of work less hazardous, installing appliances that will protect the public as well as the employees, posting of notices in conspicuous places, pointing out the dangers of the street and making a direct appeal to the employees to coöperate and make suggestions as to methods of preventing accidents. There is a central safety committee, composed of heads of departments, which meets every week. Subcommittees are composed of superintendents and foremen, and meet every two weeks, making recommendations to the central committee. There is coöperation with the Wisconsin Safety League, which educates school children in methods of safety. Cards are issued to

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each employee with suggestions for the prevention of accidents.

OUTLINE OF ORGANIZATION AND ACTIVITIES ALONG INDUSTRIAL BETTERMENT LINES—SOUTH WORKS OF THE ILLINOIS STEEL COMPANY, SOUTH CHICAGO, ILLINOIS

South Works covers an area of approximately 350 acres, on which are located the ore-receiving docks and massive bridges and cranes for handling raw materials; 11 blast furnaces for the smelting of iron; 26 open-hearth furnaces, and 3 bessemer vessels for refining the iron into steel; 2 rail mills; 2 blooming mills; 2 structural shape mills; 1 slabbing, and 2 plate mills; an electric furnace, and complete shop system, including machine, bridge, pipe, carpenter, pattern, blacksmith, paint, and locomotive repair shops, foundries, etc.

Eighty-five hundred people are normally employed, the bulk of whom are *foreign laborers*. In all thirty-two nationalities are represented, and many of these aliens are illiterate. The proper treatment of so large and so varied a force is a matter of intense moment to the officials in charge. To handle this problem there was created some eight years ago a department of labor and safety, wherein are centered the employment, fire, police, accident prevention, personal injury settlement, visiting nurse, pension, and all other similar activities of the whole plant. This department is unique in its operation,

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and has been a very active force in carrying out the policy of the general superintendent, viz., that *every man shall be guaranteed a square deal in all his relations with the Company.* The department of labor is supreme in its decisions regarding all questions of *eligibility* (other than *efficiency*) of all applicants for employment, and in like manner, reviews all cases of dismissal from the service, which are recommended by the various department heads, and sees that they are not prejudicial to the expressed policy of the General Superintendent. When necessary, reinstatement is made, and all questions of infraction of plant regulations are passed upon directly by the Supervisor of Labor and Safety.

. . . . . .

The best results have been obtained through educational measures, which are accomplished mainly through committees of workmen themselves. In each department there is maintained a committee of workmen who have general charge of the safety work in their own department.

. . . . . .

At this meeting a discussion of all accidents occurring in the preceding month is read, and the committeemen classify the accident according to the following chart, a majority vote deciding:

I. *Trade Risks, Incidental and Non-preventable*
II. *Negligence of Company*
    1. Failure to use safety devices provided by foremen or others

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2. Failure to use proper tools or appliances provided
3. Violation of rules by foremen or others
4. Improper act, or selection of improper method of doing work by foremen or others
5. Failure to instruct men as to method of doing work, and hazards incident thereto by foremen or others
6. Failure to provide safety devices
7. Failure to provide proper tools, appliances or place to work

III. *Negligence of Workmen*

A—*Injured Man*

1. Failed to use safety devices provided
2. Failed to use proper tools or appliances provided
3. Violation of rules
4. Improper act, or selection of improper method of doing work (by workmen)

B—*Other Workmen*

1. Failed to use safety devices provided
2. Failed to use proper tools or appliances provided
3. Violation of rules
4. Improper act, or selection of improper method of doing work (by workmen)

IV. *Fault of Other Industry*

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There is also read at this meeting a description of the accidents occurring at other plants, which may be of value in preventing a like occurrence locally. Moving pictures are shown and topics discussed, of interest to all. The recommendations made by the workmen's committees are submitted in writing to the superintendent of the department affected, and their completion supervised through the general plant committee. . . .

In addition to the immensely gratifying results, as effected from a humanitarian standpoint, there has been a distinct *financial saving effected.* It may be shown that the cost of installing and maintaining the mechanical safeguards, plus the cost of all educational work, and the maintenance of an organized safety department, is more than offset by the reduction in the cost of personal injury settlements.

Following close on the trail of the accident prevention is a modest and dignified *"Anti-Booze Fight."* Officials and safety committeemen alike, are putting up for the calm consideration of the workmen in general, the various financial, social and industrial aspects of the liquor habit. These efforts are meeting with a distinctly gratifying success. There has not been any attempt made by the officials to prohibit the use of liquor by employees. . . . That the officials are governing themselves by the same principles they would apply to the workmen is shown by the increasing number of *teetotalers* in the ranks of officers, and the *elimination by them of wine at banquets and dinners.* Access to the plant

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for the distribution of milk is granted to milk dealers, and regular routes and prescribed distributing stations are provided by the Company. The daily distribution in summer totals 1,400 quarts of milk.

Two visiting nurses are employed, who visit the families of employees for gratuitous nursing service, instruction in housekeeping, sanitation, preparation of food for the sick, infant welfare, etc. These nurses are members of the staff of the Visiting Nurses' Association of Chicago, but are detailed to the South Works of the Illinois Steel Company, and all their expenses are paid by the Company. Some idea of their activities may be gained from the following statistics:

Total number of patients cared for during 1914....	970
Total number of visits to homes.....	3,793
Total number of office interviews.....	3,134

When the visiting nurses began their work, many cases came to light where there was need of immediate financial or material assistance in the purchase of sick-room supplies, etc., but there were objections on the part of employees and their families to receiving these supplies as a donation from the Company, on account of a natural feeling of repugnance for charity which exists among American workmen. As a result of the need of immediate assistance in cases of destitution, and the objection to charitable donations, there was organized a "Good-Fellow Club," which several hundreds of the workmen have joined.

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The membership dues are optional, between the limits of ten and fifty cents per month, and the money so raised is placed at the disposal of the visiting nurses, subject to certain restrictions by the management of the Good-Fellow Club. The Good-Fellow Club is distinctly an *employees'* organization, and the Company does not contribute a cent to its support. The revenue derived from dues and donations during 1914 was approximately $4,000, practically all of which went for relief work and such items as 5,906 quarts of milk, 265 grocery orders, wheel-chairs, sick-room necessities, porch screens, maintenance of inmates of sanitariums, etc.

The Club made over an unsightly vacant lot in a congested district into a well-equipped playground, which was maintained during the summer months for the children and babies of the neighborhood. The average daily attendance during the summer months was 72 children, 10 babies and 25 adults. The total number of days spent by children, babies and adults combined, according to the daily average, reached the startling number of 6,444.

The Good-Fellow Club was organized in June, 1912, and incorporated in March, 1913, and has a steadily growing membership. At Christmas time, 1914, 191 baskets of dinners and toys were distributed to needy families in the neighborhood.

The Illinois Steel Company practically supports a large settlement house, located in this immediate vicinity, and known as the South End Center. In addition to the support given to this establishment

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by the Company, the officials of the plant donate generously of their individual earnings, many of them subscribing to regular monthly gifts of $5.00 each. It has been the custom at the plant for many years to have an annual banquet just prior to Christmas time, which is participated in by the heads of each department and their assistants. Prior to 1914 this banquet was usually held in the Loop district, and wine was served, bringing the cost of the dinner up to $5.00 or more per plate. In 1914, however, the organization members voted unanimously to restrict their dinner cost to $1.00 and hold their banquet in the regular clubroom of the plant, and confine their entertainment to that furnished by local talent. The difference in cost was donated to charity, and amounted to more than $400. By such acts as this, the members of the South Works organization have come to be known as being deeply interested in the moral and social betterment of the entire community, and the mill men are usually found to be active in local organizations, such as the Community Y. M. C. A. plan, The Calumet Recreation Association, The South Chicago Business Men's Association, and various charitable orders.

Coal is given free of charge to all of the churches in the immediate vicinity of the plant, and to all destitute families. Distribution of coal for charity is accomplished through the various relief organizations, such as the United Charities, the South End Center, The Women's Benevolent Association, The Catholic Ladies' Aid Society, St. Michael's Parish

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Society, etc. In all cases the Company donates the coal gratuitously, and in a majority of the cases pays the teaming charges as well. In the months of October, November and December, 1914, this distribution of coal amounted to 1,376 gross tons.

The distribution of *pensions* in conformity to the rules of the United States Steel and Carnegie Pension Fund, to veterans in the service of the corporation's subsidiaries, is carried out through the department of labor and safety. Every month a personal representative of the General Superintendent calls upon each of the 65 pensioners and delivers a pension check, the amount of which is based upon the employee's length of service and rate of pay. The average amount is approximately $35.00 per month per individual. This personal delivery of the pension checks enables the General Superintendent to keep closely in touch with the veterans, making it possible for him to alleviate distressing conditions, should they arise. All of the pensioners are given a special pass, entitling them to come on the plant at any time, and insuring special courtesies from all employees. The pensioners are encouraged to visit with their former cronies, and a conception of the good feeling prevailing generally among the employees and management may be had only by participation in a reunion of these veterans.

In this description of the *industrial betterment activities* of the Illinois Steel Company should be cited the plan adopted during periods of financial depression, viz.: the apportioning of available em-

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ployment as generally as possible among the needy employees. Thus, during the depression of 1914, instead of discharging a large percentage of its employees, the Company maintained all the married men, and those having people dependent upon them for support, on their payrolls, and prorated the work among them. There is no doubt but what this action had a great deal of effect in preventing a large number of cases of absolute destitution. Even in times of normal business activity continuity of service is fostered by interchanging men among the several other departments of the plant, on occasion of breakdowns or reduction of force in a particular department.

Another feature of corporation service, having a great deal of influence on the relations between the workmen and officials, is the plan of distribution of stock of the Company to employees. For several years past the employees have annually been given the privilege of subscribing to common or preferred stock of the United States Steel Corporation at a price slightly under the market quotations. Employees are permitted to pay for this stock at a maximum rate of 25 per cent. of their salary per month, or a minimum rate of $1.50 per month per share for common, and $2.50 per month per share for preferred stock.

The stock is set aside in their name on the date of subscription and all dividends are credited to their account, 5 per cent. interest being charged for deferred payments. In addition to the regular stock-

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holder's dividends, there is granted to the employees an additional annual dividend for five years, of $5.00 per share for preferred, and $3.00 per share for common stock. If an employee cancels his subscription before delivery of the stock is made, all of his money is returned to him, plus 5 per cent. interest. If he sells his stock, or leaves the employ of the Company after stock has been issued to him, he forfeits the special dividends referred to above, and these are then set aside by the Corporation management into a special fund, which is divided among the persistent stockholders at the end of the five-year period. The additional bonus derived in this manner has ranged from $15.00 to over $60.00 per share. Besides the very remunerative rate of interest derived from an investment of this nature, it has the added value of encouragement to regular savings.

From the foregoing it may be deduced that the officials of the Company have exercised a benign influence, not only in their relations with the men within the plant, but outside as well. In fact, it is the exercise of broad human interest, and a desire to be absolutely fair on all questions, which has contributed to the remarkable success achieved by South Works in a maintenance of satisfactory labor conditions, and gratifying production and cost records.

GOVERNMENTS AS EMPLOYERS

12. Aside from social legislation to control or direct the actions of private employers and corpora-

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tions, we must not forget that federal, state and municipal governments are employers of labor on a vast scale. The army, navy, post-office, public works, schools, police and fire departments are in control of a multitude of persons who live by wages or small salaries. These great administrative organs represent the wealth, honor, reputation and duty of the entire people, and they are under moral obligations to set an example of humane treatment to workers. There are flagrant abuses to correct in the conditions of post-office clerks who are forbidden to organize trade unions and present grievances through elected representatives. While expenditures fall on tax-payers, including wage-earners, and should not be wasteful or extravagant, and while public employees should be strictly held to loyal service, there is wide room for reasonable improvement in conditions, hours, treatment and pay of many persons in public employ.[1]

THE TRANSITION FROM PHILANTHROPY AND WELFARE SCHEMES TO SOCIAL LEGISLATION[2]

13. The history of charity indicates the direction we are to travel. There we can discover the gradual transformation of individual, private, exceptional

[1] The physical condition of certain post-offices is a disgrace and an injustice, especially as organizations of employees are suppressed by the administration.

[2] Hanus: "Das Programm der Wohlfahrtspflege," in Schriften der Zentralstelle für Volkswohlfahrt, i, 33.

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kindness to custom and law. In medieval times a man who founded a school, built a road or bridge, or established a hospital for the indigent sick was canonized as a saint and even had a surplus of goodness to carry him well on the way to celestial bliss. Now roads, bridges, schools and hospitals are paid for by public taxation and belong to all.

It should not surprise us, therefore, to find that the benevolent works of employers, which now seem to be gracious and liberal gifts, should soon be required by law. In the case of old-age pensions, sickness and accident insurance, hygienic requirements of workshops, and vocational training, the transition is already far advanced; further evolution in the same direction is only a matter of time. This is not to the discredit of philanthropy. Civilization owes much to the seers and pioneers, and they deserve honor.

The cotton mills of the South have been severely criticized by visitors from various parts of the country. The opening of a new industry has attracted many families from the rural and mountainous regions where they lived in extreme poverty, on poor soil, without means of transportation, without credit for investment, or schools, or outlook for the next generation. Since 1880, it is said that of the 110,000 operatives now employed in the manufacture of cotton goods in the South, about 80,000 were twenty years ago poverty-stricken, illiterate, discouraged, without skill. The cotton mills gave them employment and a cash income they had never

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before known. "The first generation of operatives coming from conditions above described brought fingers so stiffened, hands so hardened by toil, as to be totally unfit for handling the soft, unspun cotton; it followed that the children, with still supple fingers, were pressed into service as spinners." At first they went joyfully, for it was a novel experience, and the shining silver was to them a beautiful sight. They did not know what premature factory labor does to children; their parents did not know; the local physicians had no experience with occupational diseases; the employers did not always know; there was no public opinion, no social legislation, no trade unions. Abuses were inevitable; perhaps reports have sometimes been "yellow" and exaggerated, but the reality was too bad to be tolerated long. The employers were not totally hardened. Some sort of welfare work has been started in every mill in North and South Carolina and Virginia. In the more advanced villages the mill companies support a welfare hospital. New dwellings have been built with four to six rooms each. Kindergartens, schools, churches, club-houses, recreation facilities have been provided.[1]

Experience with depressing conditions in factory and home, and employment of child labor, soon showed the more progressive manufacturers that they were parties to exploitation and destruction of life, and conscience pricked them. But some were

[1] Mrs. J. Borden Harriman: *Annals of the American Academy,* Mar., 1910, 47 ff.

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tardy, obtuse, blinded by quick profits, and their competition was an obstacle to advance. The National Child Labor Committee, the Consumers' League, and humane agitators, perhaps even "muckrakers" stirred the public mind. The people of the South are gentle, chivalrous, just; they need only to know what is right to be induced to act. Legislation completes the work of individual humanity, and brings up the reluctant miser to the level of a fair standard. The pioneer philanthropic gifts of "welfare work" were factors in this improvement. Without excusing the cruelty which has been proved we may well believe that the development on the whole has been in the direction of larger welfare. A new spirit is taking possession of the South and every humanitarian cause there has a welcome and a sympathetic hearing.

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CHAPTER II

HEALTH AND EFFICIENCY: THE FUNDAMENTAL INTEREST OF ALL CITIZENS

THE NATIONAL INTERESTS AFFECTED BY EFFICIENCY OF WORKMEN [1]

The productive power of the workman is a universal interest; first of all to the wage-earner and his family. Many factors affect the rate of income, but individual efficiency is primary. Men are paid for production, and there is a general tendency to pay them in proportion to their efficiency. The weak, awkward, lazy, blundering mechanic does not receive as much as the strong, skillful, industrious, accurate and alert fellow-workman at his side. The employer is interested in the maximum efficiency of the employee because it is one of the chief causes of higher rates of profits, interest, or dividends. Stockholders are interested, because their investments are more fertile in proportion to the increase of product. The nation finds in a sound, strong and vigorous labor force the physical basis of its power and greatness.

[1] *See* publications of The Life Extension Institute, 25 West 45th St., New York City.

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Industrial efficiency is not the end of human existence; there are higher concerns; but this is essential as a basis; the noblest spire must have a solid foundation in the earth. We often hear it said —and we say it ourselves in the proper connection— that man is more than wealth or production. True; but man lives by the productive process and cannot live otherwise.

> Nay, take my life and all; pardon not that;
> You take my house when you do take the prop
> That doth sustain my house; you take my life
> When you do take the means whereby I live.
>
> *Merchant of Venice,* Act IV, Sc. 1.

Man is more than money, but on this planet man cannot live without money, and his present domicile and duty are here.

Socialists sometimes object to the persistent emphasis on efficiency and to the efforts of employers to get as much as possible out of their employees. It is at once admitted that critics can find only too many cases of shameless exploitation of men, women and children for the sake of profits and dividends, for which no decent excuse can be pleaded.[1] But industrial efficiency would be just as vital to the socialistic state as it is to the capitalistic manager system. One chief objection to exploitation is that it does not get enough out of the workers. It is irrational as well as mean, for it tries to get a ton's service out of a pound of fuel. The time will never

[1] C. Hanford Henderson: Pay Day.

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come when society can relax efforts or be content with indifferent, feeble and incompetent operatives. It is rational, therefore, for us in the present age to do all in our power to improve the quality and the energy of labor force. Even now managers are learning that the human machine requires exquisite care; that strain and fatigue must be avoided; that clear brains and steady nerves have an immediate value in relation to investments. More strong managers than ever before have heard the appeal of John Ruskin: "Men are enlisted for the labor that kills; let them be enlisted for the labor that feeds; and let the captains of the latter be held as much gentlemen as the captains of the former."

If ever Socialism comes to control the industrial process, it may make a new selection of managers and divide the product without reference to profits; but if it does not at once plunge the nation into economic ruin it must adopt and improve precisely the same kind of devices which we have now to discuss. It seems important to make this clear because the wage-earners are more and more looking in the direction of Socialism and are somewhat impatient of what their more restless leaders call half-measures, unworthy of their attention. The more farseeing and instructed among them, however, declare that they will take all they can get now and carry it over ready-made into the new and happier order which, they tell us with exuberant confidence and constant reiteration, is almost at the door. At present we may leave to these sanguine agitators all the glory

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of prophets while we invite them to coöperate in producing what in any event seems desirable for the immediate requirements as well as for the unrevealed future. It is curious that before we discuss the means for promoting "efficiency" we must establish the fact that it is desirable; because we constantly meet objections which assume that it is better to restrict production of goods in the interest of the wage-earners. If the case were simple, as when three brothers are farming their own land as partners, there would not be a shadow of doubt as to the desirability of getting as large a crop as the soil could yield to their common labor. The larger the product, the larger each individual share.

Nor does the case seem more difficult to interpret in the case of national wealth and production; for surely a product of two billion will, if equitably divided, give each citizen more means of enjoyment than a product of one billion; that is a problem of simple division which any schoolgirl can solve with pencil and paper. But skepticism arises because the product of national industry does not appear to be equitably divided. Many men work hard, help increase national wealth, and enjoy little of the product. Frequently they are crippled in the process and abandoned by their brothers and partners in the midst of a mighty harvest. It is this actual experience which makes many workers skeptical about "efficiency," for it seems to them to increase the strain, often to leave them unemployed, and to yield no larger wages.

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The trade-union rules which forbid an exceptional man to speed up, to set a pace, to double the product of his machine each day, are not altogether foolish and wicked. There is a measure of reason in their resistance. It will not do to dismiss their objections with the assertion of "ignorance of economic laws," for their leaders are often very keen students of economics and they learn in the hard school of experience.

If we desire to win "organized labor" to enthusiastic support of our campaign for increased efficiency, we must make it clear to them, not merely by argument but by practical measures, that the wages will be increased, that employment will be more regular and reliable, and that they will not be physically ruined by the new methods. Many of the wiser advocates of efficiency understand this situation and they are taking measures to set the doubts at rest. These methods will be critically examined in this and subsequent chapters; and first of all we seek a scientific guarantee that the workers shall be improved in vitality and not be used up in their toil.

Even when corporal punishment or dietary discipline becomes necessary in prison the doctor stands by to see that the pain or deprivation is not carried so far as to affect bodily integrity. Surely honest workingmen are entitled to at least as much scientific supervision as convicts while they produce the comforts of existence for us all by painful toil and frequent peril of life and limb; the physician must

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give scientific precision to standards of health and apply them to measures recommended by engineers.

The "captain of industry" cannot escape the responsibility of an officer in command. He represents dominion, and inside the shop he is king. Therefore it is not charity, but justice which requires him to so control the conditions of the work-place that citizens of the Republic shall receive no damage. In foreign lands, the nation protects its citizens with the sacred folds of its flag; it proposes to do as much for its citizens in shops.

It would transcend the limits and plan of this book to reprint here the details of measures and arrangements of individual employers to protect physical integrity and vigor.[1] They can all be conveniently, if only provisionally, classified in three groups: measures for safety, health and comfort. Of course this or any other division must be somewhat arbitrary, because the devices may have for their purpose two, or even all, of these ends.

It is true that we are considering here only the voluntary activities of employers; while many of these devices are either already matters of legal obligation or are certain to be included by law in the near future. Yet it is proper to consider these measures in this connection because the welfare work of the more advanced and thoughtful employers pioneers the way for laws, shows what is advisable and practicable, technically and financially, and creates public opinion in favor of requiring the in-

[1] *See* W. H. Tolman: Safety, chap. III.

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ferior managers to come up to the level of the superior.

There is always a difference of quality in the use of safety devices, even when legally required, in an establishment inspired by a humane spirit and in another where nothing but pecuniary profit is considered. There is always opportunity for goodwill and quick intelligence even under the most advanced legislation. Law can never do the work of kindness and honest desire to benefit our fellow-men; it can never go beyond the average and the necessary standard; it can never be equal to the best possible. It is not so much a question of expenditure of money on costly protective devices, but more a question of competent, alert and sincere direction by the managers. In some large corporations certain representatives of the directors, with special training for their duties, are set apart for the administration of these measures.[1]

SAFETY DEVICES

The capitalist managers of manufacturing establishments are as a rule ready to protect the physical integrity of the employees; it is fair to say that the deliberately negligent or cruel employer is rare. Nevertheless the statistics of accidents and diseases

[1] *E. G.* In the famous Krupp plant at Essen, Germany, which employs about 60,000 men, about one-fourth of the whole board of directors give all their time to the welfare institutions.—Mr. Parker, National Civic Federation, Tenth Annual Meeting, 1909.

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due to occupation reveal an appalling number of injuries and deaths which might be prevented by the use of measures already approved by trial. The chief difficulty seems to be that hitherto stockholders and managers have never in this country tried to set before themselves a modern standard of protective and preventive measures, and no adequate means exist for their education; although organization to this end is being rapidly developed.

It is true that the employers' liability laws have done something to remind managers that they might be obliged to pay heavily for an injury or a death due to their own negligence. But the law contained no definite standard in itself, and the judicial interpretations have been vague, contradictory and exasperating to workmen; the awards have been uncertain, the litigation costly and tedious; while the workman had little chance, pitted against company physicians and lawyers or the claim agents of powerful casualty companies, to make his claim appear just. The influence of such a law on the prevention of accidents and sickness has been real, but by no means satisfactory; in many situations it has been imperceptible in the presence of multiplied disasters.

Responsible organizations of manufacturers have recently admitted and sincerely advocated the principle that a business which injures men should pay at least part of the cost of human wreckage which it produces and not load the charity funds of the community with this burden. This principle has been generally accepted and has already been embodied

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in "compensation" laws and "accident insurance" laws of several states of the Union; and these new laws require the employers to pay indemnities to injured workmen even when negligence of the employer could not be proved, as it seldom can be proved.

Still more effective is the "factory legislation" which prescribes a standard of safety and health, provides for inspectors, and penalizes managers who refuse or neglect to use the protective measures required in the law. These laws are continually revised and improved, medical inspectors are sometimes added to the force, and the degree of security is enhanced.

Where industrial insurance is required to guarantee the compensation, and the premium rates are raised or lowered with the number of the injured, the interest of the employer in preventing accidents and sickness is increased, and he is more eager to avoid such losses by using suitable modern appliances.

Not only do employers need education in this noble art of human conservation, but the workmen, themselves, require information and training. In the last analysis no devices can take the place of personal intelligence, watchfulness and care. Every shop should provide thoroughly and systematically for the instruction and drill of the force, so that at any moment any workman would know what to do in case of fire, or injury from any cause, to apply "first aid to the sick and injured," and how to use

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the costly appliances introduced for the comfort, safety and health of the employees.

The clear duty and real interest of the capitalist manager in relation to the law is to see that it is enforced in good faith, that its working is carefully watched for results, and that when it fails to work well it should be studied by some impartial and competent association with a view to its amendment.[1]

Here is a program of obligations drawn up by a competent authority on occupational hygiene.[2]

Responsibility of Employers

1. Mental and physical fitness of employees. Physical examination prior to employment and periodically thereafter.
2. Wages
   a. Adequate to maintain the employees as to (1) proper food (2) clothing (3) hours for rest and recreation, and thereby maintain an efficient and healthy mind and body
   b. Increase or promotions according to length of service to provide for family and increase in family
   c. Adequate to save for an old age or pay for old-age pension
3. Place of Employment
   a. General sanitary conditions (1) proper heating (2) proper humidity (3) proper lighting (4) no

[1] In this connection the Wisconsin system is specially worthy of study. *See* J. R. Commons: Labor and Administration, and the publications of the Wisconsin Industrial Commission.

[2] Dr. B. S. Warren: "United States Public Health Service," in *Public Health Reports,* May 29, 1914.

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overcrowding (5) proper ventilation (6) proper cleaning (7) clean water supply

b. Special dangers (1) substitute harmless or least dangerous material for use of dangerous material whenever practicable (2) safe handling of dangerous material by mechanical devices, etc.

c. Removal of dust, gases, fumes

d. Safeguarding against accidents

e. Equipment necessary for personal hygiene (1) washing facilities (2) toilets (3) rest-rooms (4) lockers, etc.

4. Mental and physical energy expended

a. Hours of labor (1) length of work day (2) overtime (3) night work

b. Fatigue (1) rest, recreation and sleep necessary to eliminate waste and restore body cells prior to beginning day's work (2) posture, speed of work or attention required which causes unusual strain to be eliminated when practicable, or adequate rest periods to be allowed (3) monotony of occupation as cause of fatigue

5. Age and sex of employees

a. No child labor under fourteen years

b. No night work for women, young people, or children

6. Compensation for sickness and accident incident to employment

7. Regular employment in so far as practicable

8. Medical supervision by company physicians

a. Prompt medical and surgical aid

b. Sanitary inspections

c. Elimination in an equitable manner of the mentally and physically unfit

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9. Contributor to sick insurance fund
10. Education of employees
    a. Prevention of disease
    b. Prevention of accidents
    c. Special rules for dangerous processes

He also shows that employees themselves have their duties as to: home environment, places of surgical relief, contribution to sick-insurance fund, education. The State responsibility relates to housing, hours of labor, minimum wage scale, medical supervision, pure food regulations, pure water supply, special measures to prevent disease, regulation of social insurance or compulsory sick and old-age insurance, and education.

"SAFETY FIRST"

Naturally attention was first directed to the prevention of so-called "accidents," that is, injuries caused by some external object, as hammer, wheel, or a current of electricity of high voltage; because these injuries produce visible mutilations and spectacular sufferings which are directly and obviously due to the employment; while the connection of occupation with disease may not be clear without prolonged and skillful medical investigation.

Teaching Safety.—A good illustration of the necessity for intervention of managers in the conduct of employees is found in the perils to physical integrity from the ignorance and carelessness of men

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in hazardous [1] occupations. It is all very well to say that men are capable of taking care of themselves; but multitudes of our laborers are simple peasants from European agriculture, and they know nothing of the perils of a coal mine, a steel mill, or a machine shop; nor have they any means of finding out ways of safety. It has been said that men love life and freedom from pain; but they are forgetful and must be reminded constantly and warned of points of danger. Brave men are ashamed to show timidity in the presence of their fellows; and this very good quality of courage is their peril. It is the manager who has the right to give the warning and no one else, and he is primarily responsible for neglect.

Men are organized into groups, with the motto "Safety First." If a member of the group notices that a fellow-worker is carelessly risking life or limb, he reports him, and a fine or suspension compels him to consider more carefully the next time he walks on the railway tracks, or swings on a footboard covered with ice, or leaves a loose board to trip the next brakeman on the top of a freight car.

The superintendent in a steel works posts notices in the Polish, Croatian, Roumanian, Slovak, and Hungarian languages: "Wear goggles when working around circular saws, chipping, handling acids, cutting cables, working at emery wheels."

The Industrial Commission of Wisconsin has issued this circular of warning and instructions:

[1] Any occupation is "hazardous" in which workmen are hurt.

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"The Industrial Commission [of Wisconsin] has recently investigated the experience of a number of manufacturing concerns which have made reductions of from fifty to seventy-five per cent. in accidents. Below is given a brief outline of the ways and means which these companies have found to be the most effective in getting results.

"Guards 1-3—Inspection and Education 2-3

"All of these companies have found that not more than one-third of the reductions which have been made, have been accomplished by means of mechanical guards or any mechanical equipment, while two-thirds have been accomplished by education, inspection and coöperation of the workmen.

"Begin at the Top—Officers Must Do Their Share

"The first step in safety organization is for the owners of the business to recognize safety work and to give it a legitimate place in the organization, and then to prove their interest by appropriating the money and equipping their plant with proper safeguards. Unless the officers do their part, the foremen and workmen will not take safety seriously and will not do their part. An attitude of absolute frankness should be assumed by the employers and their superintendents, and the whole problem of accidents, their cause and prevention, should be discussed with the workmen and both should as-

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sume their responsibility. When the superintendents or foremen are responsible for an accident it should be frankly admitted, and when the workmen are to blame it should be stated with equal frankness. By far the most important factor in reducing accidents is to get the real intelligent interest and coöperation of the workmen, and without frankness this is impossible.[1]

"Instruct Every Man

"It is indispensable for safety that every workman, especially every new man and every non-English speaking man, should be carefully instructed by his foreman with regard to the dangers of his job. This should be done in a frank and kindly manner, and he should be made to appreciate the part which the company is doing and the larger part which he alone can do in protecting himself and his fellows. Books of rules, bulletins and signs have been found useful in instructing the men and keeping before them the subject of safety.

"Workmen Are the Best Inspectors

"In practically all of the companies which have accomplished the largest reductions in accidents, the plan has been adopted of appointing committees of

[1] It should be remembered that under the old employers' liability law, when negligence must be proved by the workman, frankness was heavily fined and the most powerful moves to concealment and deception were at work on both sides. Accident-insurance laws remove this temptation.

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rank-and-file workmen as inspectors. One to three men are appointed in each large department to serve one or two months and are given an opportunity once a week, or once a month, to make inspections and to report their findings and recommendations to the superintendent. This has served four valuable purposes: first, when the men are recognized and given responsibility, they at once take a new interest in safety and take pride in making a good record; second, through their new interest in accidents the men acquire much valuable information regarding the cause and prevention of accidents; third, it has been found that these workmen's committees discover hundreds of small points of danger which arise even in the best-guarded shops and which can only be ferreted out by men who are on the job and near the work; fourth, these inspectors become "boosters for safety" and do much to interest their fellow-workmen and induce them to do their part. In several companies ninety-five per cent. of the recommendations of the workmen have been accepted and have actually been carried out. It goes without saying that every foreman should carefully inspect his department day by day in order to eliminate weaknesses which arise or recur from time to time.

"Safety Inspector Needed

"It has been found that even in the smallest plants it is advisable to appoint some one man who will be responsible for looking after safety. In the smaller

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shops this man may spend only one hour a day but he should be the spokesman and make it his business to see that proper reports of accidents are made, that guards which have been ordered are installed, that the inspection work is carried on promptly, etc.

"'Boost for Safety' Meetings

"In many companies foremen's meetings are held once a month, at which meetings the subject of safety is discussed, accidents which have occurred are carefully gone over and ways and means of prevention are worked out. These meetings are invaluable to enable the superintendents to keep the foremen lined up and to keep alive the interest and enthusiasm in safety work. Meetings of workmen have been found equally valuable. At these meetings the whole problem of accidents, their cause and prevention, should be openly discussed, the officers of the company should squarely face their responsibility and the large part which the workmen must do should be carefully pointed out.

"Get Your Men With You

"The companies which have had the longest experience in safety work more and more emphasize one point, namely, that only poor results can be attained unless the employer is able to reach his men and to win their confidence and coöperation so that they will feel that he is doing his full part and will appreciate the part which they must do in order to secure safety for all."

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By eternal vigilance, fatalities and injuries are reduced in number; the method of constant warning, under instructions from the authorities, bears good fruit. Night meetings are held; the men discuss the causes of recent accidents and how they might have been averted; the stereopticon is used to set the situations accurately and vividly before their eyes as they talk.

The National Council for Industrial Safety in calling its Second Safety Congress (Sept., 1913) declared that federal records show: "Every hour 232 workmen killed or injured; every 15 minutes a workman killed; every 16 seconds a workman injured; every year 2,035,000 workmen killed or injured;" and that nearly one-half this tragical loss might be prevented. On their letterhead is a strong figure of Humanity looking at an advertisement of an ocean-going vessel, in which it was boasted that this line excelled in luxury, elegance, speed, grandeur and magnitude; and the wise and gentle woman holds before them all the word "Safety." [1]

Great ingenuity and pedagogic skill have been shown in this new campaign of "safety first." The officer of the Santa Fé Railroad wrote: "We are just closing a three and one-half months' trip with a moving-picture and stereopticon lesson which we have already shown to 30,000 of our employees, endeavoring to point out by these pictures defective conditions and irregular practices which have caused personal injuries in the past." It is believed that

[1] First Coöperative Safety Congress, Milwaukee, 1912.

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the vivid and melodramatic pictures will impress the lectures as merely written or spoken words could not do.

Eyes.—Defective vision lowers industrial efficiency; sound eyes are a social asset, which it pays well to conserve. Judging by examples of advanced action, it would seem that before long oculists will be regularly employed and paid to make periodical inspections of all employees and to prevent loss of sight by prescribing glasses and giving instruction in hygiene of the eyes. In a very large corporation it may be possible to have the entire service of an oculist; but it would not be difficult to form a circle of coöperating firms for the purpose when each is too small to afford an oculist of its own.

Safeguards.—A great corporation announced its ideal and purpose to be this: "Every gear, every belting, every set screw, every wood-working machine, every metal-working machine, spinners in twine mills, elevator landings, and, in fact, every place where liability to accident may possibly exist, we propose to surround with a safeguard." They employ inspectors and expend vast sums of money to realize this ideal.

Reporting Injuries.—In the better establishments it is a rule to require the workmen to report even the slightest accidents at once, so that remedies may be applied and the cause of danger be removed. The men are encouraged to suggest protective devices to reduce the number of accidents.

Shop Committees on Safety and Health.—Once

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after the state inspectors had approved of the safety devices employed, the company appointed a special committee consisting of representatives from each department of the factory, and within a year after the recommendations of this committee had gone into effect it was found that the number of accidents in proportion to the number of employees had been reduced more than 73 per cent.

This story from actual experience illustrates the principle insisted on throughout this discussion, that industry and business can be improved only by taking the operatives into confidence, showing respect for their judgment and giving them more influence in management as rapidly as they show capacity and coöperative spirit. In these social relations slavery and despotism do not pay.

One railway company, startled by the appalling increase in accidents, in spite of costly devices for preventing them, sought the counsel and coöperation of the employees in cultivating the "safety habit." Safety committees were formed at convenient points along the line and they were "recruited from the masses rather than from the classes." It was announced that every man was expected to consider himself an inspector for the Bureau of Safety; that if safety required time, that time would be paid for; that each one must regard it his personal duty to help make the operation safe; "no man has a right to take a chance, for it too often happens that someone else takes the consequences."

First Aid to Injured or Sick.—In well-managed

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shops the "first-aid boxes," containing rolls of bandages, lint, wrappings, stimulants, etc., are kept in convenient places, and the employees are instructed in the use of them. When serious accidents frequently happen an emergency hospital very near the works is found indispensable. An automobile ambulance is desirable when the works are at a distance from the hospitals. In many hazardous occupations, especially railways, hospital accommodations are provided, and the expense met partly by the company and partly by regular contributions taken out of the wages. This method will of course be superseded in the future by regular accident-insurance organization.

Large corporations in the United States collect photographs and models of devices illustrating their method of preventing accident and disease. These museums ought to be established by the state departments of labor in each great industrial center.[1] Only the best recent devices should be exhibited, because an antiquated model does harm. It is desirable to have expert lecturers in charge of these exhibits so as to demonstrate their value and uses. At times the machines should be kept running to show their action and the methods of using the protective devices. A museum without lectures and

[1] Museums of Safety are found in Amsterdam, Barcelona, Berlin, Brussels, Budapest, Copenhagen, Dresden, Frankfort-on-Main, Gratz, Helsingfors, London, Milan, Montreal, Moscow, Munich, New York, Paris, Stockholm, Vienna, Wurzburg, Zurich.—W. H. Tolman.

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demonstrators is dead capital, for inanimate objects are dumb and they need the interpretation of an intelligent human teacher. Many of the devices and pictures can be sent from place to place when workmen reside in smaller towns, in order to furnish illustrations of lectures and class studies.

DISEASE

The prevention of disease does not attract attention so early or so frequently as "accidental injuries," because disease is insidious, unseen, not spectacular, and arises from obscure causes which only trained physicians can discern and explain. But disease is vastly more important as a cause of industrial inefficiency than accidents, and most business laymen have yet to learn this truth.

Here we offer some illustrations of the response of employers to the demands of modern medical science, to show that their eyes are open to the need.

Cleanliness.—The microscopic vision of the bacteriologist and the uncompromising tidiness of a good housekeeper are required to keep a work-place clean; for here esthetic standards and science happily agree in their demands. Long before bacteria were seen through lenses, women were unconsciously at war with them, urged by their esthetic standards. It is doubtful whether even a medical inspector would be more useful in a tannery or any dirty business than a woman who knows how to clean house, if she were given power to do her will.

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The maintenance and protection of bodily integrity and efficiency depend on observance of the principles of occupational hygiene in the widest sense of the word.[1]

The primary condition of success in conservation of vitality is to bring the whole system of industry under the supervision and control of medical experts in shop hygiene. Pioneer examples, far in advance of our present social legislation, are found in some establishments which are owned by enlightened capitalist managers and corporations whose enterprise and foresight deserve all praise. Medical service, with physicians, nurses, pharmacy, first-aid appliances and hospital, has been voluntarily introduced with excellent and paying results. Such a service is an essential factor in social insurance against accident and sickness, whether this insurance is introduced through a benefit association or by legal requirement. The prompt care of wounds or acute

[1] For the particulars of this vast field of modern medical science we refer to:

R. Abel: Handbuch der praktischen Hygiene.

Albrecht: Handbuch der Socialen Wohlfahrt.

W. Ewald: Soziale Medizin.

C. H. Harbaugh: Causes of Disability.

C. Harrington: Practical Hygiene.

Kober and Hanson, and Thompson's works on Occupational Hygiene.

Oliver: Dangerous Trades, and Occupational Diseases.

Rambousek: Occupational Diseases.

M. J. Rosenau: Preventive Medicine and Hygiene.

Weyl, etc.

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attacks of pain and illness may save life; early action multiplies the chances of successful treatment.

The medical examination at the time of employment, and periodically thereafter, has for its primary object protection against communicable disease and improvement of energy and vitality. But medical inspection may also be utilized in the selection and assignment of tasks. The physician's professional advice is an important factor in measuring the amount of strain which any particular workman can endure. With the socialization of preventive medicine and the extension of social insurance to sickness and invalidity this medical control will become a regular and obligatory factor in the assignment of tasks. It is already so in the best prison systems, and individual industrial firms have adopted the measure; but it is capable of vastly greater extension.

The psychological laboratory[1] is already in position to make the guesses of foreman and superintendents more reliable and exact. It is true that a "boss" of experience and skill can rapidly pick out in a crowd the men who seem to be best adapted to their particular work. But many gross blunders

[1] Incidentally to his main work Dr. Healy, in his "Individual Delinquent," has presented methods of studying persons with the purpose of discovering what they can do best. His discussion will be valuable for industrial tests in shops; but the measures require well-trained directors to use them effectively.

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are made; time, material and capital are lost; health breaks down; and the productive process is hindered by mistakes which accurate examinations with instruments of precision would reduce in number.

The whole movement to furnish vocational training and guidance to youth is an important contribution in this direction, and one which intelligent employers are beginning to appreciate. It is in the experimental stage, but already fulfills a great part of its promise. It involves medical counsel. Indeed the physical inspection and training must begin in the schools and the home, and at this point our subject runs far out into other fields of investigation and action.

Medical Examinations and Treatment of Employees, Especially for Tuberculosis: An Up-to-date System in Actual Operation.—The primary object of medical examination of employees is to discover all cases of tuberculosis and to begin proper treatment as early as possible, and not merely to reject those who would make the sick benefit premiums too high for solvency of a fund. No sooner is the physician at work than he discovers other diseases which require prompt treatment, and as he passes through the shops and writes up the occupational biography of each employee, his trained eye detects conditions which are manifestly responsible for disease and must be corrected. Every prospective employee is inspected; an annual inspection is given to all the workers; and all those found below normal are reëxamined during the year. The

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physical examinations are thorough; the blood, urine and sputum being subjected to laboratory tests, if need is indicated. The inspections are directed to weight, temperature, blood pressure, pulse, general appearance, and history. The shop conditions are improved by the introduction of an improved ventilation system, dust-removing apparatus, sanitary drinking fountains, wash-basins, toilets and shower baths. Not only the shop workers but the office people require careful examination and treatment. The employees are readily convinced that this method is for their own benefit and they submit willingly to the examinations. When a person is found to have tuberculosis in an active stage, he is urged to go to a sanatorium, and the expense is met by the benefit or insurance association to which both company and employees contribute.

The advantages of the system include the early discovery of disease and more certain cure; the reduction of contagion and therefore of the number disabled; the location of the causes or aggravating conditions of disease. If the employees felt that the arrangements were simply designed to weed out the feeble, they would not be cordial toward the system; but when they are convinced that the measures are necessary for themselves and for the community, they accept it as reasonable.

Not only tuberculosis but heart disease, nephritis and diabetes have been discovered, in cases where the afflicted employees were ignorant of their dan-

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ger. Various contagious diseases are revealed and the community protected.[1]

VARIOUS HYGIENIC MEASURES IN THE WORK-PLACE

Among the matters which receive attention with firms having modern ideals are: vacuum cleaners, where floors must be swept; sanitary spittoons, where the deplorable tobacco habits of men make them unhappily necessary. Barber shops are under control and antiseptic measures are enforced. Waiters in the restaurant and dining-room are required to be clean and keep their dress in neat condition. Combs and brushes must not be used indiscriminately, and must be daily cleansed and sterilized. A towel is presumably unclean when once used or even exposed to the air. Aprons and sleevelets supplied to clerks and saleswomen save the dress and help maintain freedom from dust and dirt.

Dust Removal.—What the medical authorities and shop engineers require are found already in

[1] Statements of Drs. James A. Britton, Harry E. Mock and Theodore B. Sachs (Chicago Tuberculosis Institute).

Reports of Metropolitan Insurance Company's work for employees. Reports of Chicago Tuberculosis Institute, 1912, and Bulletin, *The Survey,* Oct. 21, 1911, Apr. 20, 1912, June 1, 1913. Transactions of the Eighth Annual Meeting (1912) of the National Association for the Study and Prevention of Tuberculosis.

Transactions of the Fifteenth International Congress of Hygiene and Demography (1912).

Illinois Medical Journal, Feb., 1913.

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those establishments which lead the march of progress. No way has yet been found to remove all dust in certain processes. In such situations respirators are furnished and the exposed men are required to use them. Patterns are selected which give as little annoyance and distress as possible, so that men will not be tempted overmuch to throw them aside and take the risk.

Drinking Water.—We may draw upon our stock of illustrations for hints as to supply of water. When scientific principles are followed, the drinking water is tested chemically and bacteriologically by experts from time to time; either a pure source is found or the water is distilled or boiled and cooled, or otherwise made safe and palatable; drinking fountains are so constructed as to avoid communication of disease; water bottles and their stoppers are carefully sterilized; and no ice comes in contact with the drinking water.

Exercise.—Nothing is more certain than that unbroken labor in shops will gradually stiffen or wear out the members of the office force. In cities it is difficult to find space for outdoor exercise or gymnasium facilities. The constantly shifting and scattered employees cannot form an association to own property, even if they could command the means. Under such conditions the intervention of the employing firm may be advisable, if not indispensable. In response to this demand of a hygienic standard, some firms have supplied grounds, buildings, gymnasiums and apparatus for employees. They have

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even provided for horseback riding, country clubs, golf links, gun clubs and hunting, and playgrounds; and they have defended themselves against the charge of sentimentality by affirming that it all "pays."

Dining-rooms.—Our model employers no longer ignore the demand for a decent and clean place to eat. Attractive and tidy service enhances the value of food. When employees go home for luncheon this is not necessary, and luncheon stations for simple refreshments are sufficient. But where the distance from the work-place to the homes is great the journey both ways for a tired person is exhausting.

It is pitiful to see men at the noon-hour eating their cold food out of a tin pail, with dirty fingers, in the very place where they work, the air full of dust, perhaps of poison. And it is refreshing to see the tired work-people enter a well-ordered dining-room, after using the lavatory and clean towel, and sit down to a tidy table, with a napkin, to eat food which comes fresh from the model kitchen and costs no more than if made with pain and toil by the wife at home. Certainly the people go back to the bench or lathe with better heart and force, with more self-respect and with kindlier feeling to all the world. The opportunity for relaxation and social intercourse is appreciated and valuable, and the food is digested and assimilated.

While the employees are at their noon-day meal, the windows of the workrooms may be opened so

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that fresh air pours through, and the conditions are made more favorable for exertion. Experience has revealed the importance of many details where food is served: a cold-storage plant for preservation of materials, inspection and testing of foodstuffs; modern machinery in the kitchen for sanitary handling of food; incineration of garbage and refuse. There are some advantages in very large establishments of having not only a service dining-room with its slightly higher prices for those who desire its comforts, but also a luncheon stand where hot food is served, or where the lunch brought from home may be eaten with some hot drink, and a special counter for the men who prefer celerity to refinement. When the firm has a garden the vegetables are more likely to be fresh.

The cost of food is kept low because no profit is sought; the materials are purchased in large quantities at wholesale rates; and the cooking is done with minimum expense for fuel and personnel. Some reports show that the noon lunch is furnished without pay in order to increase the working capacity of persons who have low wages and are in danger of saving on food to the detriment of energy. The officers and heads of departments may require separate accommodations.

Care of Clothing.—In the work-place suitable garments must be worn; often coarse and rough. The outer clothing comes in contact with dust, oil, rust, and becomes torn, untidy and dirty. The undercloth-ing is saturated with sweat. It is a hardship and

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often a danger to health to be obliged to wear this clothing through the streets a long distance to the home. A man loses self-respect in such a garb and the odor is offensive in the crowded and close street cars. In shops with high standards every employee has a locker in which the street clothing is placed during working hours. The locker is in a place protected from smoke, dust and grime; it is well ventilated and secure against theft, and is kept scrupulously clean by factory inspection. The work garments should also be frequently washed at the expense of the company; this is a necessary factor in shop hygiene.

Toilet-rooms are found on every floor in standardized establishments; they are kept clean and in decent condition by constant inspection; water is supplied for the hands, and paper napkins or towels are supplied to avoid the danger of infection which is always present in such places. The toilet-rooms for women and girls must be separate from those of men and the hall leading to them should be separate, to avoid meeting.

Lighting.—In the standardized work-place the architect's skill is taxed to supply the greatest amount of natural light. Some establishments boast of having devoted 75 per cent. to 90 per cent. of the wall space to windows. Various schemes are mentioned for supplying abundant light from the roof which is constructed with this purpose in mind. When practicable, especially when the operation is delicate and taxes the eyes, the benches are at right angles

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to the windows so that the illumination is at the side and the rays do not strike the eye itself directly but rather the object. Where artificial light is necessary the electric lamps are shaded and the rays are focused as far as possible on the points where light is most needed.

Distance of the bench from the window must be considered, because the degree of illumination rapidly diminishes with each foot traversed by light beams. It is often forgotten that while good window-glass is transparent the dirt which gathers on its surface arrests the rays; regular washing and polishing of window-panes is part of the best systems.

Ventilation.—In shops where wood dust is created in the process it must be constantly removed because it is in the way of the workers, increases the danger from fire, lacerates the mucous membrane of the nose and throat and irritates the lungs. The dust and shavings are removed by suction apparatus with openings near the point where the particles of wood are broken off by the machine. This operation sets up a circulation of air throughout the work-place, because for every cubic foot of air removed an equal volume must enter. So a double purpose is served. In foundries, core-rooms, polishing-rooms, work-places where irritating gases and vapors are produced or steam arises, a system of exhaust pipes purifies the atmosphere, improves the vision and fortifies the health.

Change of Occupations.—Thoughtful employers

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have occasionally noticed that a person inclined to tuberculosis could be saved if he were taken from the shop and given light occupation in a garden or in care of horses. It is especially necessary to watch over men when they are recovering from a wasting disease like typhoid fever. Many a man has lost all the benefit of hospital treatment by returning to labor before convalescence was complete and the tissues were restored by rest, food and sleep.

Alcoholism.—In the present state of public ignorance of the real facts about alcohol, while even some physicians cling to lax and antiquated notions on the subject, the workmen naturally share ancient superstitions as to the value of intoxicants. They believe that beer will quench thirst, stimulate the nerves, strengthen the muscles, enable them to endure heat in summer and cold in winter, keep them awake in the daytime, and put them to sleep at night. The brewers, wine merchants, distillers and dram sellers spend vast sums of money in corrupting the judgment of men for their mercenary ends, until some of them come to believe in their own contradictory theory. In this situation the temperance movement must be pushed by employers with tact and wisdom, because the men are sensitive to dictation on a subject which seems to them a purely private affair.

Indirectly a great deal can be done. The craving for alcohol is allayed by recreations which exalt the feelings without poison or reaction. Even watching rapid ball games enables a man to take part in the sport vicariously, so that he shares through sympa-

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thy the excitement of the participants. When the daily work is exhausting this proxy sport may be advisable. A bountiful and convenient supply of pure drinking water, with individual cups to prevent infection at the lips, will in some measure reduce the demand for expensive and depressing beer. Where there is a need of nourishment at certain hours, coffee and milk stations provide wholesome substitutes for the treacherous and deceptive alcoholic beverages. The director of welfare work on an important railway line claims that he reduced the consumption of alcohol by selling sugar and chocolate in a variety of attractive forms. He believed that if a man would eat enough candy to supply heat and force he would not yearn for fire-water. Circulars and posters giving information as to the effects of alcoholic beverages can be used with great advantage in and near work-places.

Tuberculosis.—Tuberculosis is not inherited; is communicable, curable and preventable; but the appropriate measures of prevention must be pushed with energy and intelligence in a standard shop. All employees are inspected by a physician, and the recommendations of the medical staff are carried out, either in sanitariums or at home. It is not every corporation which can afford by itself to provide a sanitarium in the mountains for its sick employees, an institution described as one which "embodies all modern ideas and improvements approved by experts. . . . In arrangement, the wards combine the comforts, the independence and the homelike attractive-

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ness of the cottage, with the grouping and economies of the shack system. The construction is fireproof throughout, and the approach up the mountain for two miles is over a finely macadamized road."

Instruction in Hygiene.—Every year a new throng of young people and immigrants pours into the great mills, factories and mercantile houses, with all the heedlessness of youth and ignorance. Many of them never learned how to take care of their bodies. When parents and schools have failed, then employers find a duty, and there are numerous instances where they have called in medical men to lecture on personal hygiene: care of eyes, ears, nose, lungs and all organs. It is not enough to provide safety devices; the workmen must be taught how to use them and the reasons for their use.

Shadwell[1] describes the magnificent installation of down-draft tubes connected with forges which carry away smoke and leave the atmosphere perfectly clear. He tells how the workers looked upon these contrivances with disdain. "We ain't accustomed to these 'ere fires." The inertia of habit, custom and ignorance must be overcome by tactful and persistent education. In one place in England he found extensive lavatories. A few seconds after the closing bell rang, "the floor below was already black with the hurrying crowds rushing for the door and pulling on their coats as they went. In a moment

[1] Industrial Efficiency, ii, 56.

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they were gone. In one of the lavatories we found a solitary workman washing himself with great relish. That was all out of 3,000 or 4,000." He adds: "English workmen love to be dirty all the week; they seem to take a pride in presenting a ruffianly appearance. It is the mark of their calling, the honorable badge of toil, the privilege of the 'horny-handed!'" Men cannot be treated like machines; they must be consulted; not even health, comfort and decency can be forced on them. The teacher is as necessary as the boss; and when fashion is arrayed against civilization the teacher's task is not a sinecure.

Instruction.—Some topics of lectures, bulletins, posters and illustrations, gathered from various sources, may be mentioned: general principles of personal and public hygiene, digestion, circulation, respiration, narcotics, alcohol, housing conditions, municipal house-cleaning, tuberculosis, venereal diseases, flies and other insect carriers of germs.

Rest.—Nothing is gained by too prolonged effort; periodical daily, weekly, and yearly rest, and for women monthly rest, is a condition of maximum output. The annual vacation is a necessity for operatives in the shop and for clerks in offices. The period may be prolonged somewhat for regularity and punctuality throughout the year or shortened to rebuke defects in these requirements of industry. There are firms who find it possible and profitable to continue wages during the vacation. Employees who have been long in the service and begin to feel

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the creaking of joints and weight of shoulders are occasionally indulged in some extra days of release from strain.[1]

Overtime.—The occasions for prolonging the ordinary hours of labor are: the necessity of repairing machinery during the night or on Sunday, or of handling perishable goods in transit. It is generally agreed that overtime should be restricted to the actually necessary; that it should be paid at higher rates, since it costs the laborer relatively greater strain and injury; that definite holidays in slack seasons should compensate for the extra labor. In all matters relating to overtime, medical inspections would help establish standards on a scientific basis. One English firm expressed this conviction as a result of shortening the hours of labor: "We believe that increased intelligence and efficiency follow upon limiting the hours of labor to eight, because opportunities are thus afforded for intellectual and physical development and recreation. We believe that

[1] "Vacations: Switzerland." *Soziale Praxis,* Feb. 27, 1913, xxii, 653. In 1910, of 7,900 factories, 949, about 1/8 (12 per cent.), allowed vacations to workers, foremen, etc. Of 328,000 employees of factories, 26,158, about 1/12 (8 per cent.), were allowed vacations. 2,611 of them (10 per cent.) were given 3 days or less; 12,255 (47 per cent.) 3 days to one week; 2,027 (8 per cent.) 1 week to 2 weeks; 269 (1 per cent.) over 2 weeks; for 8,996 (34 per cent.), information lacking. Amount of vacation wages, 1910—782,857 Frk. 791 workers (in 38 plants) were given only part wages. Ninety-six per cent. of all plants gave full wages, an exceptionally favorable showing

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the proper employment of such opportunities tends to elevate the general tone of life, to improve the health, and to cultivate a taste for good society, and precludes that excessive fatigue which demands unnatural stimulant and vicious pleasures." [1]

Continuous Process.—In some industries, as smelting ores, manufacture of alkali and soda, etc., it is not possible to shut down the operation. There is a choice between the twelve-hour shift and the eight-hour shift, and the latter, with its physical and moral advantages, has been introduced without loss in certain situations.[2]

Shorter Day.—Fortunately this competition of employers in the field of quasi-philanthropy offers the world fruits of experimentation which has an almost scientific character and value. Naturally there is a wide difference of opinion on both sides of the Atlantic in regard to the practicability of a shorter day, as of eight hours or less. Much depends on the technique of the trade and the margin of profit in the business.[3] It seems to have been proved that the hours of labor may, under certain conditions, be shortened without diminishing the quantity or quality of the product or the rate of wages. But rash generalizations from particular industries to all in-

[1] Burroughs, Wellcome and Co., London.

[2] Webb and Cox: The Eight Hours Day, 256 ff.

[3] Webb and Cox: Describes a considerable number of experiments in Europe.

F. L McVey: "Social Effects of the Eight-Hour Day." *American Journal of Sociology,* Jan., 1903, viii, 521-530.

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dustries do not help solve the problem. If increased intensity, speed and accuracy can be evoked, there may be actual profit in shortening the hours. If it can be shown that men break down with long hours, a legal way must be found to give rest even with increased cost; the consumers being required to pay the increase.

Among the considerations which usually determine whether the shorter day is practicable is competition with firms which work a longer time. When the product is diminished the loss may be too great to permit the change. Either common agreement, pressure of trade unions or a general law will remove this obstacle from competition. The individual employer's power is limited.

Fixing the hours of labor is not absolutely within the power and range of responsibility of individual employers or even of powerful corporations. Competition, actual or potential, must be considered; not only competition within the national territory but also between peoples. Only when profitable conduct of a business is consistent with conditions of the trade would legal intervention be safe. In some circumstances the shortening of hours so increases efficiency of labor that the product is larger; but this is not always true, and the process of abbreviating the day of toil cannot be carried on indefinitely. We shall never come to a zero day, and if honest work is wholesome the race would suffer from entire absence of strain and toil. The whole question is one of honest and competent experimentation, and dur-

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ing the trial outsiders should form judgments with extreme caution.

A committee of stockholders of the United States Steel Corporation, which recommended that steps be taken to alleviate the trying conditions in its mills in this fashion, had this to say: "We are of the opinion that a twelve-hour day of labor, followed continuously by any group of men for any considerable number of years, means a decreasing of the efficiency and lessening of the vigor and virility of such men. The question should be considered from a social as well as a physical point of view. When it is remembered that twelve hours a day to the man in the mills means approximately thirteen hours away from his home and family—not for one day, but for all working days—it leaves but scant time for self-improvement, for companionship with his family, for recreation and leisure.

"That steps should be taken now that shall have for their purpose and end a reasonable and just arrangement to all concerned of the problem involved in this question—that of reducing the long hours of labor—we would respectfully recommend to the intelligent and thoughtful consideration of the proper officers of the Corporation. At a meeting of the Corporation, the finance committee objected because of the practical difficulties of putting the eight-hour plan in operation. Nobody denies that there are difficulties in the way. But the experiment—if such it still is—has been tried with success. It is not to be forgotten, for instance, that the Commonwealth

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Steel Company of Granite City, Illinois, divided the twenty-four hours of its working day in its open-hearth furnaces into three instead of two parts; and the Company has fully recouped itself through an increased output for the increased item of wages.

"Abroad, also, it has been proved that, in some occupations, added efficiency gained through the short hours more than offsets the extra cost. John Hodge tells in *The Survey* of a concern in Britain which made the change. The higher paid workmen not only voluntarily divided their earnings, based on the tonnage of twenty-four hours, by three instead of by two, but gave a percentage from their earnings to make the wages of gas-producer men and charge wheelers the same for eight as for twelve hours. The firm gave the tonnage men a bonus on any increased output. The success of the eight-hour shift is emphasized by the fact that the bonus has more than recouped the men for making up any possible loss of wages for the lower paid men.

"The United States Bureau of Labor has estimated after thoughtful study that changing from twelve to eight hours in this continuous industry, even though the same wages were paid for the fewer hours, would involve an added cost in the production of a ton of pig iron of only 2.6 per cent., while the cost of producing the principal products of the steel and rolling mills would be increased only 6 per cent. This estimate considers no increase in efficiency contingent upon shorter hours. There seems to be

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no well-founded reason why this humane change should not be made."

A general statement like the following cannot be accepted without caution and consideration of circumstances: "The universal testimony of manufacturing countries tends to prove that the regulation of the working day acts favorably upon output. Production is not only increased, but improved in quality." [1]

Comfort.—Recreation rooms are provided for men, women and young people, with the purpose of restoring energy of muscle and brain. In Japan, halls in connection with factories provide for all sorts of desirable entertainments, including dramatic performances.

Rest-rooms for women are hygienically desirable; and their use should be permitted without questioning. A woman should be in charge.

Bathing facilities are sometimes provided by the company voluntarily; under advanced legislation they are required. A wise and humane employer will always be able, with some thought, to do better than any law will compel.

A laundry for women's aprons, janitor's suits, towels, linen, etc., is convenient and often economical. Aprons and sleevelets may well be supplied gratis when the work requires dainty touch and habitual tidiness in handling fine goods or delicate wares.

Alpaca coats for office employees in hot weather

[1] Brandeis: Women in Industry.

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not only improve appearances, but conserve energy.

Elevator service economizes strength which would be used up in climbing stairs. Bicycle sheds, with compressed air tanks for inflating tires, are sometimes provided where these useful means of locomotion are popular.

Esthetic Surroundings.—Gardens, flowers, trees, arbors, walks, minister not only to the esthetic desires, but have a positive value in relation to health, buoyancy of spirits, cheerfulness, contentment in a place.

When a circus comes to town an extra holiday may be given without serious financial loss; for clean recreation is a hygienic measure.

The serving of meals is a vital matter from the standpoint of health and cultivated manners. Excellent models of dining-halls and restaurants reveal the taste and character of the directors. Too generally the workmen are left to find a place to devour their food; under a dusty bridge, on the curbstone by the hot paved highway, in the disorder of a scrap-iron heap, in the shop itself with its grime and monotony, sometimes with poison and filth everywhere.

Sports and Games.—Among the measures actually in use in one or many establishments these examples may be cited:

Country Club.—Employers and office people find that a few hours at golf or other sports in the country restore energy, steadiness of nerves and endurance. It has been found possible by the gift of the company or by subsidies to associations of employ-

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ees to provide playgrounds and restful club-houses outside the cities for large numbers of wage-earners.

Baseball teams of employees are easily organized, with match games between different establishments, to heighten the zest of the sports by emulation. Tennis tournaments are the climax of long practice during the season.

Baths and change of clothing in suitable dressing-rooms provided with lockers form an essential part of this program.

Gymnastic exercises are regarded in some establishments as so necessary to maximum working ability that they are obligatory on all employees under eighteen years of age. Notable improvement in strength and endurance is reported as a result of systematic, carefully directed gymnastic exercises. President Wilson's recommendation of military exercises may be seriously considered from the hygienic and patriotic points of view.

A first-class business man, if he does undertake to do a thing, likes to have it complete, the best of its kind. A gymnasium under these conditions has all the mechanical apparatus advised by experts, even to the Swedish movement and vibratory machines, and competent physical directors to see that the exercises are adapted to individual needs.

The Protection of Girls and Women.—It is well known that the finer nervous organization of women, the delicacy and tenderness of wife and mother, the intuition of moral discernment, the deep racial instincts which preserve the national vigor, are quali-

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ties which go with the peculiar constitution of women; and these precious qualities cannot be suppressed for economic reasons without permanent and irreparable loss to the character of the nation. In protecting girls and women against exploitation and coarseness of fiber we are fighting for all humanity in ages yet to come.

Mr. Brandeis, who has devoted splendid legal ability to this great cause, starts with this plea:[1]

"Besides these anatomical and physiological differences, physicians are agreed that women are fundamentally weaker than men in all that makes for endurance; in muscular strength, in nervous energy, in the powers of persistent attention and application. Overwork, therefore, which strains endurance to the utmost, is more disastrous to the health of women than of men, and entails upon them more lasting injury.

"The fatigue which follows long hours of labor becomes chronic and results in general deterioration of health. Often ignored, since it does not result in immediate disease, this weakness and anemia undermine the whole system; it destroys the nervous energy most necessary for steady work, and effectually predisposes to other illnesses. The long hours of standing, which are required in many industries, are universally denounced by physicians as the cause of pelvic disorders.[2]

[1] Brandeis: Women in Industry, p. 18.
[2] *Ibid.*, p. 28. Goldmark: "Fatigue."

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"The need of protecting the health of working women by limiting their working hours is emphasized by statistics of the relative morbidity of men and women. In all countries where such statistics have been kept by sickness-insurance societies, the morbidity of women has been found to be higher than that of men." [1]

"The morbidity of women, measured by the number of days lost through illness, is greater than that of men. That is, women suffer from illness of longer average duration than men do, and consequently are more disastrously affected by exhaustion from overlong working hours.[2]

"Women suffering from minor illnesses continue at work more commonly than men. That is, women have fewer illnesses involving complete loss of earning capacity, more illnesses during which they continue to remain at some form of work. Hence excessive hours of labor are doubly injurious to them, because often performed when health is already impaired.[3]

"The evil effect of overwork before, as well as after, marriage upon childbirth is marked and disastrous.

"Accidents to working women occur most frequently at the close of the day, or after a long period of uninterrupted work. The coincidence of casualties and fatigue due to long hours is thus made manifest.

[1] Brandeis: The Ten Hour Law for Women (Ill.), p. 35.
[2] *Ibid.*, p. 40. [3] *Ibid.*, p. 46.

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"The effect of overwork on morals is closely related to the injury to health. Laxity of moral fiber follows physical debility. Where the working day is so long that no time whatever is left for a minimum of leisure or home life, relief from the strain of work is sought in alcoholic stimulants and other excesses.

"The experience of manufacturing countries has illustrated the evil effect of overwork upon the general welfare. Deterioration of any large portion of the population inevitably lowers the entire community physically, mentally, and morally. When the health of women has been injured by long hours, not only is the working efficiency of the community impaired, but the deterioration is handed down to succeeding generations. Infant mortality rises, while the children of married working women, who survive, are injured by inevitable neglect. The overwork of future mothers thus indirectly attacks the welfare of the nation.

"This needed protection to women can be afforded only through shortening the hours of labor. A decrease of the intensity of exertion is not feasible. [This statement requires modification, for strain can be reduced in several ways in some industries.]

"Experience shows how the demands of customers yield to the requirements of a fixed working day. When customers are obliged to place orders sufficiently in advance to enable them to be filled without necessitating overtime work, compliance with this habit becomes automatic.

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"The regulation of the working day has acted as a stimulus to improvement in processes of manufacture. Invention of new machinery and perfection of old methods have followed the introduction of shorter hours.

"The establishment of a legal limit to the hours of woman's labor does not result in contracting the sphere of her work.

"History, which has illustrated the deterioration due to long hours, bears witness no less clearly to the regeneration due to the shorter working day. To the individual and to society alike, shorter hours have been a benefit wherever introduced. The married and unmarried working woman is enabled to obtain the decencies of life outside of working hours. With the improvement in home life, the tone of the entire community is raised. Wherever sufficient time has elapsed since the establishment of the shorter working day, the succeeding generation has shown extraordinary improvement in physique and morals.

"Wherever the employment of women has been prohibited for more than ten hours in one day, a more equal distribution of work throughout the year has followed. The supposed need of dangerously long and irregular hours in the seasonal trades is shown to be unnecessary. In place of alternating periods of intense overwork with periods of idleness, employers have found it possible to avoid such irregularities by foresight and management.

"The arguments in favor of allowing overtime in

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seasonal trade or in cases of supposed emergency have gradually yielded to the dictates of experience which show that uniformity of restriction is essential to carrying out the purposes of the act.

"In order to establish enforceable restrictions upon working hours of women, the law must fix a maximum working day. Without a fixed limit of hours, beyond which employment is prohibited, regulation is practically nullified. Exemptions of special trades from the restriction of hours not only subject the workers in such industries to injurious overwork, but go far to destroy the whole intent of the law. The difficulties of inspection become insuperable.

"To grant exceptions from the restriction of hours to certain industries places a premium upon irregularity and the evasion of law. When restrictions are uniform the law operates without favor and without injury to individuals. Few employers are able to grant their employees a reduction of hours, even if they are convinced of its advantages, when their competitors are under no such obligation. Justice to the employers as well as to the employees therefore requires that the law set a fixed limit of hours for working women and a limit for all alike."

Care of Health of Women Workers.—The danger of fatigue has been studied on a wide scale by physiologists and the discoveries of science have already influenced legislation[1] and decisions

[1] Goldmark: "Fatigue."

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of the supreme court supporting laws for shorter hours.

This mass of reports gathered from Europe and America reveals growing intelligence of employers and their appreciation of the need of paying attention, under medical guidance, to the requirements of girls and women. The eyes, the brain, the muscular system are capable of doing their best work only when tissues have had time to rebuild themselves after waste by prolonged effort, and alternations of rest and activity raise efficiency to the highest point at which energy can be maintained.

This discovery it is which accounts for the introduction of rest-rooms adjacent to shops or sales-rooms. In large establishments a thoughtful and high-minded matron is employed to have oversight of these rest-rooms in order to prevent abuse, preserve order and offer needed counsel. The rooms are furnished with comfortable chairs, couches, reading-matter and sometimes a piano is appreciated. The business world has yet to learn the restoring and exhilarating power of music.[1]

In the best establishments night work of women is unknown, in this conforming to advanced protective legislation. By careful observation, with medical advice, it is found possible to give girls a brief recess in the forenoon and again in the afternoon, before fatigue impairs speed and quality, and this with economic advantage which may be approximately measured.

[1] K. Buecher: Arbeit und Rhythmus.

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That is a chivalrous and thoughtful act when a firm lends overshoes and umbrellas to poor girls who might risk pneumonia by going home in a cold rain and who either forget or cannot afford to buy an umbrella.

A visiting nurse is part of the equipment of any complete system of protection of health. A trained woman helps care for the sick and injured, in shops and mercantile establishments, under medical direction; instructs mothers in the care of their children and hygiene of the home; and arranges for the needs of convalescents.

COST AND GAIN OF SAFETY AND HEALTH MEASURES

It is evident that the cost of introducing and maintaining devices for promoting safety, health and comfort is a matter for serious consideration. If the accounts of an establishment are properly kept they will show the absolute amount spent for the various forms of betterment, the relative amount as compared with other costs of production, and the inroads made on net profits and dividends. Such accounts should also show, as accurately as possible, the net gain from this expenditure, regarded as investment in a going concern, as reduction of loss of time from disability and sickness, increased output per man and per machine, reduced cost of each article put on the market. Less tangible and calculable, but just as real is the gain in goodwill and contentment, indicated by greater continuity in em-

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ployment, diminution of restlessness and inclination to change on slight provocation, and, possibly, more consideration and reflection under temptation to strike.[1]

The books of a firm may well show the special investment for such arrangements as heating and ventilation, sanitation, drainage, water supply, lighting, cleanliness, drinking water (filtration, refrigeration and distribution), lavatories, locker-rooms and lockers, emergency rooms and equipment, apparatus for removal of dust and fumes, safety appliances on dangerous machinery, bicycle sheds, and even rest-rooms, reading-rooms, recreation grounds, libraries, games.

It certainly "pays to be good"—in some circumstances. In a well-ventilated and well-lighted tailor shop there is less waste of cloth in cutting garments, the vision is clearer, the brain is more active, attention is more alert; a better class of workers select shops where the conditions and pay are more attractive; and where combustible dust and shavings are cleaned up the insurance rate is enough lower to pay the cost of tidiness.

We have as yet rather imperfect estimates of these expenses, but present-day methods of accounting will not leave us long in the realm of guesswork. We may cite a few attempts to analyze this cost factor.

[1] *See* Yale & Towne Mfg. Co.: "Prevention vs. Cure in Industrial Operations." National Civic Federation, Tenth Annual Meeting, 1909, p. 170.

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In one important establishment the investment cost figured up about $100 per employee. The annual operating expenses for the same features were about $20 per employee. According to the International Harvester Company's Annual Report for 1912, the amounts expended by the Company during the year for welfare features affecting working conditions, comfort, health, and lives of employees were:

Compensation for industrial accidents	$135,298.91
Contribution to Employees' Benefit Association	68,186.25
Pensions to aged or disabled employees	31,765.06
Accident prevention	82,988.48
Medical, including anti-tuberculosis campaign	55,080.22
Sanitation and ventilation	66,224.16
Education, clubs, matrons, lunch-rooms, etc.	55,891.34
	$495,434.42

The United States Steel Corporation, with 200,000 employees, was expending in 1912 as follows:

Relief for men injured (accident insurance)	$2,000,000.00
Accident prevention system	750,000.00
Sanitation, comfort, etc.	1,250,000.00
Pension fund (annual payments)	200,000.00
Creation of permanent fund (13 years)	500,000.00
	$4,700,000.00

In all about $5,000,000 annually.[1]

[1] Mr. R. C. Bolling, in *Annals of American Academy*, July, 1912, 38 ff.

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"The Germania Insurance Company of New York, in 1910, had 80 clerks in one office. Previous to the proper ventilation thereof, 10 per cent. were absent on account of illness all the while. Since then, absenteeism has been reduced practically to nothing." [1]

The Manhattan Trust Company of New York by proper ventilation increased the efficiency of the force so much that they could reduce the number of employees 4 per cent.

Records show that the United States Pension Bureau, by going into well-ventilated and lighted rooms, reduced the days of illness of employees from 18,736 to 10,114 days a year, even with a much larger working force.

In the printing establishment of Mr. C. J. O'Brien, a new ventilation system was introduced by the insistence of the State Department of Labor, but it is willingly retained. "Whereas, formerly, the men had left work on busy days in an exhausted condition and sickness was common, now the men left work on all days in an entirely different condition and sickness has been very much reduced. The errors in typesetting and the time required for making corrections were greatly reduced."

In a similar way we shall before long have accurate statements as to the pecuniary profit of hygienic measures.

[1] Mr. D. D. Kimball in Bul. of American Museum of Safety, June, 1914.

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One firm[1] employing about 3,000 workmen has made a statement which indicates their line of reasoning as to net advantages. When the Illinois law of compensation was passed in 1911, the casualty companies raised the rate of liability insurance from 30 cents to $3.35. That awakened attention. Something must be done. By introducing medical examinations and "safety first" regulations and instructions, they secured a rate of 85 cents, a saving of $2.50 on a payroll of $290,000 from May 1 to October 1. And they noted these results:

"Personal interest means closer contact; closer contact brings quicker response; quicker response insures better care; better care secures more contentment; more contentment produces better work; better work yields more profits. More safety means fewer accidents; fewer accidents result in less lost time; less lost time brings more steady work; more steady work produces increased efficiency; increased efficiency causes greater output; greater output yields more profits.

"Company insurance permits personal settlement; personal settlement eliminates friction; friction eliminated avoids disputes; avoided disputes require no arbitration; compensation is easily settled; litigation prevented: this means more profits."

Reports for the first year of the plan showed a marked increase of shipments and a decreased payroll—due to the selection and protection of employees.

[1] Avery Co., Peoria, Ill.

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ORGANIZATION OF CAPITALIST MANAGERS TO PROMOTE SAFETY AND HEALTH

The National Council for Industrial Safety.—The organization of a national organ for the reduction of occupational injuries is significant enough for special notice in this connection. The following statement was made by the president, Mr. Robert W. Campbell:[1]

"We have been passing through several distinct epochs in our industrial and economic life. These might be classed as, first, the feudal or paternalistic period; secondly, the individualistic; and lastly, the one in which we are now living—the coöperative epoch.

"All forms of social activity to-day are taking a trend toward coöperation. In none of these movements is there more need for coöperation than in the movement for the prevention of accident. . . .

"To meet these causes what must the industrial concern do? It must provide proper working conditions; it must provide proper and efficient safeguards upon dangerous machines and appliances, and secondly, it must educate its men and inculcate in them habits of caution. . . .

"Experience has shown that this can only be effected by some comprehensive organization, an organization which will include both the employer and the men. . . .

[1] *Safety Engineering,* Oct., 1913, 240 ff. *The City Club Bulletin,* June 15, 1914.

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"A large number of industrial and transportation concerns have been engaged for many years past in organized effort to reduce accidents. The International Harvester Company, the General Electric Company, the Chicago & Northwestern Railway Company, the United States Steel Corporation and its subsidiary companies, the Middle West Utility Company, the Commonwealth Edison Company, and a number of large and small industries, many of which are well known to all of you, have been actively at work for many years.

"They have approached their work first through *plant organization.* In working that out, they have found some five or six essential elements. The first is to have a safety engineer or a safety inspector who inspects the plants for the dangerous places and dangerous conditions and sees to it that they are made safe. This is usually supplemented by a central committee of safety at each plant, composed, possibly, of the general superintendent or his assistant, acting as chairman, the safety inspector, acting as secretary, and from three to five other responsible superintendents or foremen acting with them. This committee has charge of the organized effort in that particular plant. The work of this committee and of the safety inspector is supplemented by the work of the foremen themselves, who in the performance of their daily task are required to inspect their plants and at least once a week to make written reports upon conditions. These foremen are brought together in monthly meetings, which

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have been productive of excellent results. The workmen themselves are brought into the scheme by the formation of workmen's committees, appointed in each department. From time to time the membership of these committees is changed so that after a while every man in the plant will, at some time or other, have served upon the safety committee. These men inspect their departments for dangerous conditions or practices, make recommendations in writing, investigate accidents, and make their report as to where the cause may be, and what discipline should be meted out to the guilty party if it is due to carelessness.

"Safety Devices

"The organization must first take up the task of safeguarding. This is generally under the direct supervision of the safety inspector. . . . The safety inspector is a possibility even in the smaller industry, for he does not need to give all of his time to this work, but may perform other duties if the plant is too small to permit of the employment of a man specially for that purpose. This safeguarding always requires a certain standardization of the requirements of that particular plant. This is done under the direction of the central committee. The safety inspector must see to the proper installation of the safety devices, their proper use and their maintenance. No new piece of machinery in a well-organized plant is purchased nowadays without specifications for safety devices upon it. And the day is

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coming when the manufacturer of machine tools will not permit to go out from his shop a lathe or other machine that is not properly and effectively safeguarded to eliminate the hazards in connection with its use.

"But the most important function of this organization is that of education. The men are the hardest to reach. Many an old employee has a contempt for the new idea and the new-fangled devices, and will not use them. The new men do not know about them and so educational work is an imperative necessity.

"Educating the Men

"This takes many forms. First comes the adoption of operating rules with respect to the special hazards of that plant. These rules are put in the hands of all employees, particularly in the hands of new men, who are instructed by their foremen and by the plant preacher. These are required to read the books themselves, and ultimately, in any well-organized plant, to pass an examination upon them.

"Danger signs are posted about the plant for the guidance and instruction of the men.

"But you can't get very far until the men are interested. All sorts of schemes are adopted to accomplish that end. Among these are the giving of Safety First buttons of one form or another, with the monogram of the company upon them, to all who pass a satisfactory examination in safety rules of that company. Then there are prizes given to indi-

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viduals for meritorious service or for valuable suggestions, and this [scheme] can be carried out into almost all sorts of details. Cash bonuses are put up in some organizations which go to foremen of departments which have been able to keep their accident records under a certain 'bogey.' Monthly bulletins are issued; companies with several plants issue monthly bulletins containing items relating to safety and safety devices and rules of conduct. Bulletin boards are placed throughout the plant, upon which interesting information, instructive and educational, is placed for the purpose of educating and interesting the men in that way. Then there are safety mottoes and slogans placed upon pay envelopes, shop tickets and other stationery that is used throughout the plant; sometimes stenciled on the doorways or other places where they are likely to be seen. Some plants have an illuminated sign at their gates. So that by use of the slogan, sign and danger sign will the matter of safety be constantly kept in the minds of the men themselves.

"Meetings of foremen are also held. Some plants have gone so far as to have dinners at which all of their principal foremen are invited, and there safety talks are had. Lectures have also been provided, and moving pictures are brought to the attention of the men in meetings called for that purpose. It does not necessarily follow, either, that this moving-picture method of interesting the men is not available to the small concern, because in many communities a number of concerns join together and bring their

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workmen together at a meeting where pictures of this kind and talks on safety are given to them.

"Interesting the Children

"One of the most effective means adopted has been that of bringing the matter to the attention of the children of the men. One plant I know of has entered into quite a campaign among the children. In conjunction with the street-railway company that concern has caused to be shown to all the school children in the city moving-picture reels and stereopticon slides. Safety talks are given to them. The echo of that has reached the plant time and time again, the children at home bringing the subject up with their parents. Sometimes dinners are given to the clergy and to the principal men in the community to get them all interested.

"Possibly the most effective means, however, are proper disciplinary measures taken where men have been careless and where through the fault of one of them a serious accident has occurred.

. . . . . .

"Widespread Coöperation

"The insurance companies have likewise been very active, and through their inspectors and through educational campaigns have brought the attention of their insured to the matter of accident prevention. The merit rating system which is going into effect in many of the accident-insurance companies is a po-

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tent element in bringing the matter of safety work to the attention of the insured, for when a man can get a 10 per cent. or a 20 per cent. reduction in his premium rate by safeguarding his plant and establishing an organization within it, he is pretty likely to do it.

"The federal and state bureaus of labor have become very active in recent years and we find some very constructive work going forward in a number of the states, particularly in Wisconsin, Pennsylvania, New York, Ohio, California and Minnesota, where some very excellent legislation has been adopted.

"Striking Results

. . . "Wherever an organized accident-prevention campaign has been carried through intelligently there has been a marked decrease in accidents. The various industries report from 35 to 75 per cent. in reduction of accidents in their plants. . . .

"Again, it is a work of economy, actual fiscal economy. When you have prevented a man from being killed or injured, you have saved just that much money in compensation, especially in a state like Illinois, where we have a compensation law to-day. Likewise there is a saving in product. No accident occurs without some damage to product and some damage to machinery, all of which is an economic waste and loss. So if you can cut down your accidents from 25 to 75 per cent. you are just that much ahead in economy of operation. There is also, of

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course, the social economy, the saving to the community, because every time a man is injured, some part of the burden falls upon the community as well.

"One might also point out the increase in efficiency that results from preventing accidents. When a man is injured in your plant there is of necessity a disintegration of your working force for ten, fifteen, twenty minutes, possibly the whole day; the force is all wrought up over the accident and the men do not do as good work as they otherwise would. In some industries, when a man is killed they lay off for the rest of the day. In others they lay off until the man is buried. That is not efficiency. Furthermore, when an old hand is injured or killed a green hand has to be installed in his place. The new man cannot perform the work as efficiently as the man whose place he takes. Every time you put in a green man you slow up the whole process, particularly if it is in a plant where each man's work depends a little bit upon that of his fellow.

"I don't need to mention, I am sure, that it is a work of humanity; a life saved or a limb saved is surely a humanitarian effort, whatever the motives involved.

. . . . . .

"Recognizing this fact, there was organized some six months ago the National Council for Industrial Safety. . . . The need was felt for some organization which could stimulate accident-prevention work throughout the country and provide a means for exchanging ideas between employers themselves.

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This organization was the gradual outgrowth of the effort of a number of men covering a period of several years, particularly within the membership of the Association of Iron and Steel and Electrical Engineers, which organization was really the father of the coördinated effort that is now being made to-day through the National Council.

"The organization endeavors through its bureau of information to supply its members with safety data respecting safeguards, educational methods and schemes and organization ideas. It has lists of experts, lecturers and speakers, moving-picture reels and stereopticon slides, and all sorts of data of that kind, available to anyone who wants it; it provides a weekly distribution of material calculated to interest the boss himself as well as the men, and in general provides a clearing-house for all sorts of safety information. Through its standardization committee it has effected standard safeguards for general and special hazards. It has sections, which are groups of industries whose hazards are particular or peculiar unto themselves, such as the tanneries, foundries, iron and steel, etc., and at its annual congresses it provides a means for the safety men of the country getting together to spend three or four days in discussing safety matters, and listening to papers and reports, and entering into discussions with respect to them. It is putting forth a publicity and educational propaganda throughout the country, and from the clippings that we see we believe that the doctrine of safety is reaching from one end of

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the country to the other, not alone through our efforts, but through the efforts of others as well.

"One of the important features, however, of the National Council's work is its work through local councils. In any community where it has five or more members those members are privileged to get themselves into a local organization, where at monthly meetings they may get together and discuss the problems that are common to the industries of that particular community, and may, if the field is not already preëmpted by a public safety organization, undertake the task of inaugurating a public safety campaign."

The National Association of Manufacturers is another powerful organization which has committed itself to a policy of prevention of injuries by educational lectures and by various publications.

All this vigorous activity is in contrast with the apathy of only too many employers, who must be forced by legislation to do their duty. "The regrettable thing to me is, that, barring a few notable exceptions, our employers throughout the United States did not get busy on this important matter of accident prevention and safeguarding until they were forced by legislation. What they might have done voluntarily years ago, with the applause of the masses, they neglected to do until the legislation made it necessary, and not often for any humane consideration." [1]

[1] M. W. Alexander (General Electric Co., Lynn, Mass.): First Coöperative Safety Congress, p. 210.

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A distinguished authority in preventive medicine has commented on these efforts of the more advanced employers to promote national health.

"The insurance companies complain of the toll due to unnecessary and preventable disease. In former years the medical officers would occasionally discuss this economic loss from preventable disease, but beyond that stage there was nothing done. Now many of the insurance companies are providing some form of welfare service for their insured and some of them are most efficient agencies for the conservation of human efficiency.

"Insurance companies show a disposition to be something more than brokers selling death certificates to the few and getting the cost plus brokerage fees from the many. The brainiest men in insurance clearly see that it is good business policy to work for human conservation.

"The employers of labor are most active health departments at the present time. The above phraseology was intentionally employed. The brainiest and most farseeing employers are doing as much for the conservation of the health of their employees as is being done in well-developed municipal health departments. Their per capita expenditure for health is greater than the per capita expenditure of the average health department and the effort expended goes straighter to the individual who needs it.

"The labor unions are doing much. Some, like the cigar-makers, are most active health agencies; others lag as much as do certain employers of labor.

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"All of this means that the organized medical profession is no longer the great agency for the promotion of health work. Theirs was the voice that cried out in the wilderness. They were the John the Baptists who prepared the way. But the cry now is, and from now on will be, from other quarters.

"Nothing has so promoted the health activities of employers as workingmen's compensation acts. The immediate result was 'safety first' work, but the effect has spread far beyond. The next step is a health insurance act. When this becomes operative it will be as much of a stimulus to general health conservation as the workingmen's compensation act has been to employers' interest in the conservation of the health of their employees. All of which means that the way to promote the cause is to develop its economic side, to demonstrate the money waste of inefficiency. The effort stimulated necessarily will take care of the life loss." [1]

NEW PROBLEMS FOR THE NATION TO FACE

What will be done with those who are rejected by the new and higher industrial standards? What will become of those laborers who cannot pass the medical examinations, who are unprofitable and uninsurable? It is already evident that compensation and insurance laws will compel not only employers but the nation to face the results, to care for the unemployables thrown out by the improved stand-

[1] Dr. W. A. Evans in *Chicago Tribune,* June 21, 1914.

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ards and inspections. Charitable funds in some industrial cities are already beginning to feel the pressure from this cause. But public and private charity, however liberal, will not meet the demand, and society cannot carry the burden. The state will be driven quickly to adopt a policy of placing the physically unfit, cast out by industry, under curative and reconstructive treatment, so that many of them can find employment under the new competitive conditions. When the unfitness is found to be due to want of training, society will establish trade schools and not send these unfortunates to reformatories and prisons for their first chance to learn a trade and acquire skill. These more exacting standards and medical examinations will rapidly convince men that alcoholism, sexual vice, tobacco and drug habits, as well as other unhygienic factors, do not pay and cannot be tolerated. The hardships of those who fail at first will be tragic and heart-rending, but they are the severity of surgery and the bitter medicine of a wholesome cure. It may seem undemocratic to compel men to come under medical control; but already society is obliged to support these incompetents who like freedom but cannot live the life of free men. When the preventive policy, along with insurance of workers, and segregation of abnormals in celibate colonies, has been vigorously carried forward through three or four generations, the number of incompetents will be reduced to narrow limits and they will not be a great burden, especially as the product of commodities per man and machine will

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steadily increase. The program of euthenics and of eugenics is coming to be intelligently accepted by an increasing multitude of citizens; another century will see it well advanced in fulfillment.

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CHAPTER III

ECONOMIC INDUCEMENT TO SECURE EFFICIENCY OF LABOR

Passing from the general survey of the universal and permanent reasons for promoting individual efficiency in industry, and the measures required to promote physical energy, let us now consider methods of realizing the purpose through economic incentives. And, first of all, we may review some of the devices for stimulating attention and effort by offer of tangible, direct, obvious and immediate pecuniary reward for superior efficiency. These devices are numerous and many of them are ingenious.[1]

PROFIT-SHARING

Many experiments have been made with various forms of so-called profit-sharing. In a precise and exact sense, the term "profit-sharing" should be restricted to schemes in which a certain percentage of the net profits of the year are divided among the

[1] D. A. Schloss: Methods of Industrial Remuneration. The Federal Industrial Commission is making a fresh study of this problem.

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operatives engaged during the year, on some definite principle—as the total wages earned during the period by each employee. Many economists and employers have believed that the distribution of a part of the profits among the employees would increase the output; that the wage-earners would be more contented with wages and conditions, would work harder and would identify their interests more closely with those of the firm. But this hope has not been realized, save under rare and peculiar circumstances. In some cases the speed was already as high as could be sustained, and the prospect of an uncertain payment at the end of the year was not an adequate motive to drive the workers to more intense endeavors. It was also felt that if the profits were augmented by their sacrifice, the laborers should have all the increase and not part of it; that no gratuity should be accepted on terms which would weaken the solidarity of workingmen or their loyalty to the trade union. In general the wage-earners felt that the inducement was too remote and uncertain; that even if they did their share and made their sacrifice the profits might fail because of the mismanagement of the firm or from other causes beyond their control and without any connection with individual zeal and skill.

On the other hand, many employers refused to consider a proposition to divide profits without the possibility in bad years of sharing inevitable losses. Thus this device has never become widely popular with either party, although it has often been tried

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on a large scale, in all civilized countries and by enthusiasts.

In order to influence the activity of a wage-earner the advantage to him of greater speed, tension or care must be immediately apparent, must be manifestly connected with his own personal conduct, and must not be merely a vague share in the results of the improved management of the employers and general effort of the whole body of workers. In other words, increased income should be paid for specific and measurable acts of individual effort and efficiency, and not be made to depend on many factors over which the workman has no control. Piece-wages, bonus or reward for increased output and other methods seem better adapted to this end than profit-sharing.

Profit-sharing in itself does not touch the deepest demand of the modern workman; a share in control of the conditions of labor, of wages, of all that affects his life. It is not merely a larger share in the product but a voice in the direction of the process, which will satisfy the man who is taught by his political experience the lesson of democracy.

The experience of success and failure, of vitality and mortality of profit-sharing schemes is reflected in the following data:[1] In the last decade 299 firms introduced profit-sharing; only 133 of these retain it. From 1881 to 1900, 168 firms introduced the scheme and 121 gave it up. Experiment usually

[1] "Profit-sharing in Great Britain." *Soziale Praxis,* Feb. 27, 1913, xxii, 264.

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lasts seven to eight years. In two-thirds of the cases the reason adduced for giving it up was that expected results did not materialize. Eighty-seven of the 133 firms introduced profit-sharing since 1900. Twenty-nine firms have retained it for thirty years or more. To judge from the number of industries represented, profit-sharing seems to be most practicable with gas companies (33 firms); then follow glass companies, potteries, chemical plants (14), provision firms, and tobacco firms (13), book printing and binding (11); others not more than one each. Mines and quarries which tried the plan in six cases have none now. In August, 1912, a total of 106,189 employees shared in profits, an average for ten years of 5½ per cent. of wages. In the British Coöperative Stores we find that in 1910, the last year for which information is available, the system was in use in 195 (14 per cent.) of the leagues of the great commercial companies. The Scotch stores have paid out in profit-sharing since 1870, £197,000.

The article here cited declares that profit-sharing is usually employed as a means of reducing the workmen's freedom of movement. With the increasing strength of the trade union, therefore, profit-sharing is likely to become more and more rare.

The experience in France is similar to that in Great Britain. Only 114 profit-sharing firms exist; neither employers nor employees show much interest in the system. Recently the miners of Epinac-les-

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Mines demanded replacing profit-sharing with a corresponding wage increase.

Further particulars are given in a report of the London board of trade, which has issued a report on profit-sharing and labor copartnership abroad.[1]

Each of the countries included in the report has followed its own line of development, and they accordingly present notable divergences. France has a far larger number of schemes than any of the other countries included, and many are of very long standing. The French schemes differ in many respects from the English schemes. In the United Kingdom the class of business in which profit-sharing and copartnership have chiefly flourished is that of gas companies. About half of the gas produced in that country is made under profit-sharing conditions. French people have only two instances of profit-sharing gas companies, but many insurance companies and banks, a group that has only one profit-sharing representative in the United Kingdom. Profit-sharing mines and quarries, railways and tramways, and metal, engineering and shipbuilding firms are also represented in France, either exclusively or much more largely than in the United Kingdom, while the clothing trades, food and tobacco trades and chemical trades are more largely represented in the United Kingdom.

In the United Kingdom many schemes provide for the payment of the bonus in cash. More recently the plan of giving the work-people facilities

[1] Cited in an article in *The Chicago Evening News,* 1914.

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for the purchase of shares in the undertaking has been largely adopted. The typical French system is that of capitalizing the bonus. Of the various methods employed the most favored is that of converting the accumulated bonuses into a *patrimoine*, a capital sum sufficient to provide a pension for the employee after his retirement and to leave something for his family after his death.

In Germany profit-sharing has made little progress. Of fifty-four schemes recorded by Professor Boehmert, an enthusiastic advocate, in 1878, only nine remained in existence in 1901. At present only about thirty schemes are known to be in existence. The twenty-one undertakings for which particulars are available employ only 15,000 or 16,000 persons, about one-seventh of the number similarly employed in the United Kingdom.

The profit-sharing undertakings in Holland are mostly very small, the largest firm practicing the system being the Dutch Engine and Railway Material Works, at Amsterdam, which has upward of 2,000 work-people.

The only profit-sharing schemes in Italy of which particulars have been received are those in force in two groups of mines in Sardinia.

In Switzerland there appear to be only eight or ten profit-sharing schemes in existence, and most of these are in small undertakings. It is, however, interesting to observe that profit-sharing was tried in the federal postal service as long ago as 1869. It was abandoned in 1873, owing to an anticipated

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diminution of profits, and also owing to the excessive accounting involved.

In the United States only about twenty-five or thirty firms have been reported as practicing profit-sharing and copartnership, and most of these only started their schemes within the last ten or twelve years. The number of work-people employed in the United States under conditions of profit-sharing and copartnership is relatively large, as many of the firms or companies which practice profit-sharing are vast corporations employing thousands of workers. The most conspicuous example of these great profit-sharing undertakings is the United States Steel Corporation, which in 1912 allotted more than 60,000 shares to nearly 37,000 of its work-people. The United States Rubber Company, another profit-sharing undertaking, has about 25,000 workers; but here the scheme is restricted to employees with salaries or wages of $1,350 a year and upward.

The dominant type of profit-sharing in the United States is that of issuing shares to employees on specially advantageous terms: it is the type adopted by the United States Steel Corporation and by most of the other very large companies practicing profit-sharing.

The report says that profit-sharing is not regarded with very great favor in the United States, either by manufacturers and business men, or by economists; the principal reasons being, first, the attitude of the trade unions, and secondly, the pref-

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erence of employers for other means of improving the position of their work-people, such as "welfare" institutions (sick, accident and pension funds, athletic or social clubs, swimming baths, reading-rooms, etc.)—movements which have been taken up with enthusiasm by many employers in the United States.

It cannot be truthfully said that the profit-sharing plan is universally abandoned. Thus a competent authority[1] declares: "A thoroughly effective method of remuneration includes both principles, the differential incentive, which acts on the individual as such, and profit-sharing which acts on him in his collective capacity as a member of a body bound together by common interests and working for a common end. By increasing the efficiency of labor they diminish its cost and so increase profits, although wages rise. I admit that the practical application of these principles—and particularly that of profit-sharing—presents difficulties; but they are not insuperable, if the problem be approached with understanding and goodwill." It is entirely possible that some future leader may develop a method of profit-sharing which will escape the rocks and shoals on which previous plans have so often been wrecked.

Again, Shadwell, in his "Industrial Efficiency," volume II, page 145, says: "If profit-sharing is regarded as an act of paternal, and therefore arbitrary, benevolence, or as a weapon against trade

[1] Shadwell: Industrial Efficiency, ii, 141.

For further facts *see Soziale Praxis,* Feb. 27, 1913, xxii, 654.

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unions, or a means to any other ulterior end, it is sure to fail and to excite distrust and hostility. The only sound basis is the economic one, which I have endeavored to explain. On that basis it becomes mutually advantageous, because it gives effect to the real relations of employers and employed who are actually partners in production. The term 'profit-sharing' is in itself a great stumbling-block; if 'product-sharing' were used half the difficulty would vanish."

Mr. Melville E. Ingalls, Chairman, Board of Directors, Big Four Railroad, in "A Plea for Profit-Sharing," National Civic Federation, Ninth Annual Meeting, 1908, said:

"There is but one thing to my mind that will produce harmony in the future and do justice to all people, and that is profit-sharing. I believe if every railroad in this country were run on that basis we would have no strikes. I believe every large manufacturing company ought to be put upon that basis. Something should be put aside for the subsistence of the employees, something for the pay of capital, and then the balance should be divided. Make every man your partner. We will then have, just as near as it is possible to have on this earth, the good times when the laborer shall have his fair share and do his fair amount of work."

Another important industrial manager says: "The changes that have taken place in modern industry, as contrasted with twenty years ago, give the worker far less chance to become economically

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independent. The chances for rising have lessened as specialization has increased. Hence the man who goes into any industry which is largely depending on labor is entitled to a share of the profits of that industry. And where that principle has been applied it has not been found to fail. And it has never cost [1] anything, but, in addition to paying for itself, has produced a dividend for the employer." [2]

Profit-sharing Should Follow Welfare Work.[3]—That welfare work should be started before the inauguration of a profit-sharing scheme is the opinion embodied in a research report presented to the members of the Western Efficiency Society, Chicago, July 24, 1914. On this point the committee says:

"This committee believes that a firm contemplating profit-sharing or welfare, or both, would do well to install welfare first. It is the logical preparation for the responsibilities of proprietorship. This committee has not lost faith in profit-sharing as an agency for good, but it believes in welfare as a necessary forerunner. It further believes that had the concerns now old in the practice of profit-sharing inaugurated welfare first, their profit-sharing

[1] "Never cost anything"—that is, to the corporation. But the question still arises how much the increased strain cost the workmen in length of life, in vigor, in leisure, in spiritual opportunity. This is an element in the calculation which is too often ignored in the discussion.

[2] Mr. Arthur Williams, 1914.

[3] Cited from the magazine *"100%,"* Aug., 1914.

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plans would have worked out to a smoother conclusion and would now be more nearly perfect."

The substance of the committee's report follows:

In the face of a careful study of practically every known profit-sharing scheme in this country, this committee is less settled in its belief that profit-sharing is the most logical and practical relief from inharmonious relations or lack of coöperation. In its first report this committee was inclined to advocate profit-sharing as an insurance against the unreasonable demands of labor; as a method of stimulating workmen to greater enthusiasm and effort in exchange for an increased income and a share in the business, as well as a means of compelling more open and frank dealing between men and management. Granting, still, that profit-sharing may accomplish these things to a degree, so many disadvantages to the general plan of copartnership have presented themselves that this committee does not feel justified in urging it upon employers without certain reservations.

Not all of us, perhaps, have taken notice of the fact that profit-sharing has been practiced by many of our largest concerns for the past twenty-five years. This, alone, would seem to be convincing evidence of its worth.

Without the slightest intention to reflect on the undoubted merits of profit-sharing, but rather with a desire to get closer to the truth, this committee ventures to say that such may or may not be the case. It is possible that concerns having put in a

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method of profit-sharing are continuing it rather than disturb a peaceful relationship by taking it out; or, it may be that it is the best thing for the organization.

Profit-sharing has accomplished remarkable results in some places; in others it has been discontinued, not all for the same reason, and while it would be obviously unfair to judge profit-sharing by its failures alone, this committee is actuated by these examples to question its general applicability, at least until more thought is given to the foundation upon which it rests.

Profit-sharing, when correctly installed, is unquestionably a binding influence for good, but the chief trouble seems to have been that during the period of adjusting it to meet local conditions, prejudices have arisen among the workmen and never entirely been overcome, even in the face of what appeared to be an ultimate success. Suspicion has remained, and suspicion in any degree is the greatest enemy of profit-sharing. It is the opinion of this committee that all failures and the disturbances attendant upon the installation of profit-sharing have been directly chargeable to prematurity; and furthermore that those plans now considered successful in every essential detail could have been made immeasurably stronger.

The committee finds that in proportion to the number of concerns able to support profit-sharing, comparatively few are doing so. There are not over thirty plants in the United States maintaining

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a system of profit-sharing in the strict interpretation of the term. While this may be variously attributed, this committee favors the belief that welfare, while not necessarily taking the place of profit-sharing, is delaying its day, and that the era of profit-sharing is only dawning. A possible dozen firms of note have taken employees into partnership, and later dissolved, but not without considerable harm to the business.

This committee does not fully agree with the statement made by the Employers' Welfare Department of the National Civic Federation, as follows: "It is perfectly safe to say that it would be hard to find a profit-sharing plan operating successfully in this country in the eyes of the employees."

By this same token this committee believes it equally safe to say that it would be hard to find a profit-sharing employer who regarded his plan, at least, as unsuccessful. The fact of the matter is that it has proved extremely difficult to get at what we consider the true facts and, without the aid of unbiased opinions based on actual knowledge, the real situation must remain, in a measure, a matter of conjecture.

The conclusions of the committee at this time would be that there are two main reasons why profit-sharing is not generally popular among employers, and not more universally adopted. They are (1) the opposition of the labor unions, which, with or without cause, regard it as a substitute for high wages and a safeguard against strikes, and (2) the

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increasing popularity of the welfare and betterment department.

The chief objection to profit-sharing was found to be the inability of the great majority of workmen to invest. Others have been the tendency of foremen to keep down the wages of the rank and file in order that their own dividends may be higher; the purchase of the stock at a low price and the sale of it as soon as the price went up, and the likelihood of the gambling instinct being developed among investors.

From its study the committee has deduced two main complaints against the annual distribution of cash. They are (1) the failure to pay market wages where such cash distributions are made, and (2) the obligation which the men, receiving such cash distributions, feel toward the company, placing them in a position where they cannot or do not feel justified in demanding an increase in salary or wages even though they are justly entitled to it.

The general impression seems to prevail among both employers and employees that the welfare and betterment department is serving most of the purposes of profit-sharing. From the employer's point of view, the advantages of welfare work over profit-sharing may be outlined as follows:

1. It is more easily installed;
2. Its results are more quickly felt;
3. There is, by comparison, practically no risk involved;

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4. The better class of workmen are, as a rule, more easily convinced of its benefits;

5. The attitude of the labor unions is less arbitrary, since the workmen are not bound by any money consideration;

6. Although the workmen may share in the profits, their general health and the conditions under which they work may be such as to minimize their contribution to that profit, while through the activities of the welfare department in the improvement of working conditions, and the medical department in the betterment of physical health, these same workmen might be able to earn as much if not more by reason of increased output than they could get from dividends.

The sum of these six advantages is a healthier and more wholesome working force; a better grade of work, and an automatic increase in wages without the risk and responsibility of any considerable investment.

On the other hand it has developed, primarily, that workmen are more inclined to depend upon their own ability to earn higher wages than they are upon the management to deal justly with them at the time of the annual distribution. This sentiment is due to a few concrete and well-advertised examples of dishonesty, which, however, are the exceptions, rather than the rule, and an effective campaign of agitation on the part of labor unions.

This committee does not subscribe itself to the

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belief that welfare work is paternalistic. This prejudice is being rapidly overcome.

Employees, unable to invest money in a share of stock, would rather see an agency installed by which they can profit, than one which eliminates them because of financial circumstances over which they may have no control. On this point, Mr. R. T. Crane is quoted as saying:

"When a stockholder in the shops is doing an honest day's work, he is likely to be criticized as setting the pace for the other workmen just because he is a stockholder. When strikes have come I have been sorely disappointed to find that the stockholder employee loses influence with the other workmen; he will be suspected of leaning more strongly toward his stockholding than toward his laboring side."

Spectacular divisions of profits to wage-earners occasionally astonish the world. There are brief periods of extraordinary prosperity in particular lines of business, due to the possession of a patent, or to a lucky combination of circumstances, or monopoly, or to some unusual talent of the managers. In a few years of real competition these extraordinary profits sink to a lower level, being divided between the consuming public in lower prices and better commodities, and the wage-earners themselves. No general progress can be expected to come from these rare instances of wage payments far above the going rates of the labor market; they have very little significance in the general process of evolution, al-

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though they may reveal a generous intention, wholly praiseworthy, in the motives of the managers. They are not harbingers of a universal Utopia.

One objection urged against paying a definite per cent. of profits is that it divulges the financial condition of the firm. This may to some extent be avoided by a scheme occasionally adopted in which the amount of the dividend to labor is not less than six, and not more than ten, per cent. of the semi-annual dividend paid to the stockholders, or some similar scale. With the growing tendency to require publicity of accounts, the grounds of this objection will be removed, and this will be in the interest of stockholders, the public and the workmen.

Annual Distribution of Profits Based on Percentage of Earnings of Each Man.—This method of encouraging efficiency of employees is somewhat more direct than the earlier schemes of profit-sharing. It does correspond in an approximate way with the efficiency of the individual, since earnings indicate the employer's valuation of the services of the man for the year. Apparently the effect is wholesome; it is a moral bond in the establishment; it tends to increase goodwill; it holds out hope; and at critical times gives a considerable lump sum which may be profitably invested.

One type is based on the principle of an addition to wages equal to the dividends on stock of the same amount. Thus if the dividend is 12 per cent., a stockholder who owns $500 in shares will receive $60 a year and a workman earning $500 will receive

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the same amount in addition to his wages. This evidently tends to identify the interests of capitalists and operatives.

Another type is that of a company which pays the workmen a part of the profits, partly in cash when dividends are declared, and partly in stock of the company. This plan is said to give every workman a direct interest in improving the earning capacity of the company. "It leads them to discourage waste and to check dawdling and generally to increase the efficiency of their labor." It has been asserted that, in one instance at least, the efficiency of the workmen has more than compensated for the money paid out in bonuses.

Piece-price.—A familiar device for stimulating labor to highest speed is payment by the piece, with strict inspection of the product to insure quality. This method is so common as to require little comment; it is evident that a person will put forth his best powers if he knows that he is to be paid immediately for every increment of effort.

The piece-price wage is not applicable in many forms and processes of industry, and, therefore, in these situations, some other method of enlisting the self-interest of the workman must be found.

The workmen often complain that after they are speeded up by the inducement of piece-rates the employer cuts down the price per piece and leaves them worse off than before, working harder with no increase of income. To obviate this objection in part some firms have adopted the method of paying by

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the piece as far as practicable, with an assured minimum weekly wage and a bonus for extra output. There can be no doubt that the piece-price payment of wages has many substantial advantages. The individual workman is certainly stimulated to put forth his utmost energy by the immediate and visible reward for his superior service; and hence the output for each unit of capital, plant and machinery is increased; the wages received are larger and the payment is in the ratio of efficiency.

But over against these well-known advantages there are serious disadvantages of a system which enables employers to speed up the machinery, which may already be too rapid for security and health; to take the most rapid and strong workman as a standard for the average, and give him an unfair position; to encourage foremen and superintendents to "nibble" at the piece-rate until the actual sum received is finally no larger than it was before the speeding process was introduced. The chief objection is that payment by the piece urges workmen to excessive strain; and some shops where this system prevails are scenes of frightful and feverish haste ending at night in exhaustion. There is no guarantee in the system itself that the employee shall not be worn out, cast upon the scrap-heap and replaced by some vigorous immigrant peasant, fresh from the open fields, who in his turn will be used up and rejected.

It is possible to retain the principle of payment by the piece, which unquestionably promotes indi-

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vidual efficiency and larger production, on certain conditions. Medical control must give assurance by examinations at regular intervals and whenever needed, that the employees are not deteriorating under the pressure. In the labor contract there must be a guaranty that the wages will not be cut down by the insidious process notorious under the name of "nibbling." Such a contract, however, is not likely to become customary without the sanction of collective bargaining or minimum-wage laws.

Premium Plan: The Halsey Method.—A certain wage is guaranteed and a premium is paid to workmen for increased productivity. The advantages claimed for this device are that the men are encouraged to produce more by being rewarded in proportion to what they do; the reward is immediate and substantial; the employer does not cut the rate arbitrarily and the workman does not fear that his wages will be capriciously reduced.[1]

Time and Mode of Paying Wages.—The wage-earner lives ever close to the edge of want; his daily work calls for his daily bread; he has little credit and he has urgent demands; borrowing is at ruinous rates of usury, and repayment is difficult. Payments, especially for low-paid employees, should be at weekly intervals. The employer may be put to a slight increase of trouble and expense in order to pay the wages frequently and in convenient ways; but

[1] Duncan: The Principles of Industrial Management, pp. 221-223.

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the advantage to the employee deserves consideration.

Payments should, as a rule, be paid in money; for the workingman has no bank account and must sometimes pay for cashing checks. He may be driven to the saloon-keeper for the purpose, and is at once in the sphere of a dangerous influence. Without knowing it, an employee may be subsidizing an agency which undermines industrial efficiency.

Reward for Fidelity.—Permanence and reliability of employees are elements in efficiency and many firms have devised methods of offering inducements to secure the stability of their trained force. From our stock of examples we select a few typical illustrations.

A substantial premium is paid to each employee at the conclusion of a definite period of service. The premium starts with a modest sum and rises each year afterward up to the twenty-fourth year or some similar period, when it continues at a level rate. In certain cases the premium varies with the average wage rates. In some German cities the same method has been introduced to secure stability in the corps of municipal servants. The officers of an American corporation say that these premiums are "simply a special recognition for good service." They are this, without doubt, but they are also an incentive for the future and an inducement to continue in their employment where frequent changes interrupt the service.

Premiums for Fidelity.—A variation on the theme

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is found where the basis for rate of premium takes into account not only the length of service and rate of wages, but also zeal and devotion to work, and quality of service. In the lowest rank there may be no addition to wages, and in the higher classes the rate of premium ranges from 2 to 20 per cent. An additional premium for good "team work" is also occasionally seen.

In addition to pecuniary reward, it has been found that badges of social distinction are sometimes valued. Thus J. C. VanMarken, Holland, offers a gold cross decoration, to be presented at the anniversary festival to every employee who has completed twenty-five years in the service of the firm. Names are inscribed in a Golden Book, which has large pages mounted on a winged frame. There are situations in America where such an appeal would provoke envy and hostility, if not ridicule.

A certain percentage of the profits may be set aside each year for distribution among the employees on the basis of their efficiency. The men in the sales department are rewarded for increase of sales and reduction of selling expenses. The fund is distributed in the shops as a reward for increased production or decreased cost, or both. Employees, in any branch, who show marked ability are entitled to participate.

A certain well-known corporation sent a social expert, who had been in the employ of the federal government, to go about among their women employees and make recommendations. As a woman, she

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could secure information which no officer of the company could discover. She recommended that night work should be abolished and a minimum wage of $8 a week be established. Both recommendations were carefully considered and adopted, without pressure from legal requirements.

Purchase of Stock by Employees.—The wage-earners may themselves become "capitalists" on a small scale by ownership of stock in the company which employs them. Of course they might buy stocks in any corporation whose stock is for sale, if they chose; but the difficulty would be to command sufficient money at one time to purchase a share, and to select with wisdom where the chances of loss are so great. Even when employees buy stock of their employers they must risk loss. The objection is also urged that ownership with the employers weakens the tie to the trade union and increases dependence on the master.

The method of selling stock on the installment plan has been frequently introduced, with varying motives and results. On the surface it means that the employees are offered an opportunity of sharing in the prosperity of the company by becoming capitalists on easy conditions. They buy a limited amount of stock and pay for it out of wages—a form of savings and investment. The employees must, of course, share the risks of all capitalists and may lose all they have invested. The motives of the managers are sometimes questioned, and the trade-union leaders declare that it is merely one more device for

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weakening their organizations. Indeed many managers have openly recommended this scheme for this very reason.

Promoting Efficiency by Improved Management.—There is a growing conviction among both students and men of administrative experience that the managers of industry and of mercantile establishments can and should increase the social product by more exact methods. Mr. F. W. Taylor, a specialist in methods of increasing efficiency, has summarized his contribution to the subject as follows:[1]

"The aim in each establishment should be: (a) That each workman should be given, as far as possible, the highest grade of work for which his ability and physique fit him; (b) that each workman should be called upon to turn out the maximum amount of work which a first-rate man of his class can do and thrive; (c) that each workman, when he works at the best pace of a first-class man, should be paid from 30 per cent. to 100 per cent., according to the nature of the work which he does, beyond the average of his class." These improvements can be introduced by the employers and by them alone; in such matters the employees have no power.

The object stated is to unite high wages with low labor cost—cost, i. e., to the employer; and this object is promoted by the application of the following principles: (a) "A large daily task. Each man in the establishment, high or low, should daily

[1] Shop Management (1911): "Principles of Scientific Management." Copyright, 1911, by Frederick W. Taylor.

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have a clearly defined task laid out before him. This task should not in the least degree be vague nor indefinite, but should be circumscribed carefully and completely, and should not be easy to accomplish. (b) Standard conditions. Each man's task should call for a full day's work, and at the same time the workman should be given such standardized conditions and appliances as will enable him to accomplish his task with certainty. (c) High pay for success. He should be sure of large pay when he accomplishes his task. (d) Loss in case of failure. When he fails, he should be sure that sooner or later he will be the loser by it. When an establishment has reached an advanced state of organization in many cases a fifth element should be added, namely: the task should be made so difficult that it can only be accomplished by a first-class man."

Mr. Taylor recommends his plan on the ground that it tends to prevent strikes and induces the best men to leave the trade unions.[1] It is evident that this argument was not expressly aimed to conciliate the American Federation of Labor!

The whole scheme may be vitiated, from the large national standpoint, by its failure to make provision for the second- and third-class workmen, for the physical integrity of the best men, and for any other interest than high wages and low labor cost (to the manager). This is not an objection to the method within its range of application; it is an indication that it is but a fragment of the whole social problem.

[1] Shop Management, pp. 68, 69.

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Industrial efficiency is only one aspect of human efficiency; and while it includes within limits finer intellectual and social qualities, the higher ends can be achieved only when other provisions are made, as by systematic medical inspection and control, for maximum health, and for leisure with culture. The industrial ideal of civilization is vastly higher than the military and feudal; but, after all, as Carlyle said, it is only a "preliminary item."

Training in Methods.[1]—Mr. Emerson, whose name is conspicuous in this attempt to increase the efficiency of labor, has summarized in his own way the main principles of procedure: clearly defined ideals, common-sense, competent counsel, discipline, the fair deal, reliable records, the best mode of dispatching, the making of standards and schedules, standardizing conditions, standardizing operations, standard practice instructions, and efficiency reward. He insists that all these principles must be combined in a closely knit system in which each finds expression. He explains the principle of "the fair deal" as including a decimal wage rate per hour, which varies with local conditions, and is fixed by negotiation and agreement between the parties. A bonus is paid for work which extends beyond the hours per day, the normal day being nine hours. A time equivalent is determined for every operation, but no worker is required to attain this time equivalent;

[1] Emerson in *Engineering Magazine,* June, 1910; Sept., 1911.

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his wages do not depend on it but on the time he is under orders. These time equivalents are subject to revision up and down, as conditions change, but never because of high individual skill. Revision is made by competent disinterested specialists, and both parties know all the reasons.

The principle of reliable, immediate, adequate and permanent records is thus interpreted. Records should show every operation; the standard quantity of material; the efficiency of material used; the standard price of material unit; the efficiency of price; the standard quantity of time units required; the efficiency of time; the standard rate of wages for work of the kind; the efficiency of wage rate; the standard quantity of time for equipment; the efficiency of time use of equipment; the standard equipment rate per hour; the efficiency of equipment use. The principle of efficiency reward is analyzed, and said to include: guaranteed hourly rate; lower limit of efficiency which, if not attained, indicates that the worker is a misfit and requires special training or change of occupation; progressive efficiency reward; efficiency standard established after careful time studies have been made; time standard that is joyful and exhilarating [mocking laughter from workmen!]; variation in standards with different machines and conditions; determination for each worker of an average efficiency for all jobs over a long period.

It is evident that the application of these principles requires a high degree of self-discipline in super-

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intendents and overseers, and the service of very capable directors at every step.

In the higher degree of specialization which characterizes the increased productivity of the great industry is found the opportunity for readjustment of shop direction details. Taylor [1] uses the expression "functional foremanship," which means that work formerly done by a single gang boss is now subdivided among eight men or groups of men: "(1) route clerks, (2) instruction card clerks, (3) cost and time clerks, who place and give directions from the planning-room, (4) gang bosses, (5) speed bosses, (6) inspectors, (7) repair bosses, who show the men how to carry out their instructions and see that the work is done at the proper speed, (8) the shop disciplinarian, who performs this function for the entire establishment."

Under the new system, much of the responsibility for direction which belonged to the operative is transferred to the office of management. The men are selected and trained for their particular tasks on a plan accurately mapped out in advance. Nothing is left to chance or caprice, and there is continuous coöperation between the managers and the workmen.

It is claimed for this system that it raises the wages and shortens the hours of the operatives, while increasing the quantity and improving the quality of the product.

The objections of trade-union leaders to "scientific

[1] Shop Management, p. 104.

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management" were thus stated by Mr. John P. Frey in the *American Federationist*.[1] He quotes from a representative manager who had said that he had "absolutely no regard for machinery or men"; that both were worked to the limit and rejected as soon as they were not fit for the highest degree of production. He affirmed that the representatives of "scientific management" recommended it to capitalists as a means of breaking down collective bargaining by the unions. Furthermore, he claimed that the scheme is unscientific because it does not include an adequate system for the education of apprentices and competent mechanics; nor for the workman's progress in knowledge of mechanics. Its tendency is toward production of quantity rather than quality. It has failed to understand the human factor and the spirit of American institutions, for it makes of one man a taskmaster without the consent of the other.

Encouragement of Invention.—The improvement of industrial and commercial methods depends in great measure on the inventiveness and alertness of the persons who actually perform the work and constantly observe the action of machines and methods. Since we must count on the inertia of habit and custom, a specific motive must be offered to overcome the weight of wont and use and to stimulate creative activity. Only with exceptional men can we be sure that the mind will always be alert to find new ways and the will prompt to use them. Furthermore,

[1] Mr. John P. Frey in *American Federationist*, Mar., 1913.

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the operative is more or less conscious that he is under orders and expected to obey instructions without argument. It is easier to follow closely the directions of a stupid gang boss, himself slave of routine, than to cross him, dispute with him, and risk danger of discharge by him. To secure invention the system must offer rewards, provide for impartial consideration, and be directed by men who themselves are eager to make progress. Leisure also is a condition of escape from routine and slavish imitation. A group of workmen who are driven to the limit of strength are generally incapable of invention.

The patent office is a device which has stimulated invention, because it protects the inventor of an improved machine or process in his property rights and enjoyment of royalty. But experience has revealed defects in the working of patent laws. The inventor is often more of a poet than a business man; he is easily deceived by more astute and sometimes unscrupulous managers. He cannot utilize his patent without capital for construction and advertisement. Frequently the patent is useless unless connected in a series already covered and which he cannot control; he must sell to those who own the rights in the previous devices. The most numerous inventions are very slight, and the changes cannot be covered by a patent.

To meet these and other related difficulties, many employers have sought to obtain suggestions from their operatives and clerks. Some have set up boxes in the establishment and invited the workers to drop

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into them hints, drawings, and descriptions of possible improvements in the process. These suggestions are carefully studied by competent persons in some impartial way, and if they are found to have merit, the author is rewarded and honored. "Praise and price" are motives everywhere reliable. The shop people are asked for suggestions in regard to the construction and placing of machinery or parts of machines, the improvement of physical conditions of light, heat, moisture and ventilation affecting the working energy of the employees, record-keeping, printed forms, circulars, processes, designs, finish, boxing. The salesmen are invited to offer hints derived from criticisms of the product by customers, suggestions as to advertising and new fields for enterprise.

These arrangements tend to bring the entire corps into spiritual relations of confidence and coöperation, awaken faculties, add to social wealth of ideas and production; but their true and full success depends on absolute good faith and a degree of unselfishness on the part of the employer. In all these schemes no provision is made for securing to the inventor in a shop an income from those occasional discoveries which are patented and become the source of a monopoly gain to the corporation. Instances of robbery could be cited—robbery under legal forms, but all the more irritating as causes of social revolt. This whole problem of proprietary rights in invention is one that public authority must solve; justice here is rarely assured by a conflict of

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individual interests. Selfishness never promoted the common welfare nearly so well as public control.

THRIFT MEASURES ENCOURAGED BY MANAGERS

1. *Savings.*—Thrift is an old-fashioned virtue which will never become obsolete, but which costs sacrifice and needs encouragement. Most wage-earners have little experience in investments; the failures and scandals of a few savings banks have made many persons suspicious and timid; the spending impulse and appetites for immediate gratifications listen only too readily to plausible excuses for extravagance. Great corporations, for example, insurance companies, may be in a position to collect and invest the savings of their employees to their advantage in rate of interest and ample security.

When the facilities of savings banks are brought close to the workmen there may be little if any reason for action by the employer. The post-office savings bank, with its numerous local branches, may be all that is needed. But thrift is a virtue whose merit is denied by certain radicals and hard to cultivate under the best conditions. In America the saving habit is rare, feeble, and unpopular. The vaunted statistics of deposits, when analyzed and studied in the light of budgets, have not much significance. From the top down Americans are notoriously wasteful, and fashionable "Society" has no right to offer advice on this subject, for its wastes are colossal.

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In any land, but especially in our country, not only facilities but inducements and persuasion are necessary to promote thrift—assuming that it is a socially desirable habit and custom. The 3 per cent. interest bait will catch a few who are hungry and alert; and occasionally a prosperous firm using credit can afford to offer 5 per cent., which is still more alluring.

Savings in Mercantile Establishments.—The savings of shop girls are often so small that they would be almost ashamed to offer them for deposit in a bank, even if the hours of work were such as made it possible; "but when the kind little old lady with the big brown bag and the little account book arrives at the store, the girls do not hesitate to give into her keeping even a few pennies." [1]

Obligatory Savings Banks for Minors.—It is generally agreed that with adults the manager cannot go beyond inviting and attracting voluntary deposits. Something can be said for obligatory measures with young persons. The lad of sixteen to twenty has all the appetites and wants of an adult, and, in unskilled occupations, he may have maximum earning power at eighteen. He is not responsible for wife and child, and feels only limited obligation to his parents who may still feed him at their table. It is a situation full of peril. The desire for happiness is keen; the judgment of consequences is immature; the temptations to indulgence are satanic in subtlety; not even Hercules' choice may be offered, but only one broad and slippery descending way. Under

[1] Mary K. Maule.

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these conditions many employers have sought to control a part of the earnings of minors. A contract is made when employment is given by which the manager requires the adolescents in his works to deposit on interest a part of their wages or premiums in the savings fund until they marry or have reached maturity.

Consumers' Associations: Coöperative Stores.— These are frequently found in Germany. In some places, notably at Krupp's famous village, near Essen, the company fosters the enterprise. All kinds of commodities desired by the employees are kept in stock; sales are for cash; profits are returned to buyers at the end of the year in the ratio of purchases, which are recorded in a book during the year. The Coöperative movement is an exotic in the United States and has not deep roots. But the "high cost of living" is now keenly and severely felt, and recent investigations have shown, even more clearly than before, that a serious part of the increased cost arises in connection with the retail distribution of staple commodities. European experience points out a way of substantial relief as soon as our people develop a coöperative spirit and have a taste of its pecuniary advantages. At this point, and without any hint of the "truck system," employers could aid their employees to combine on principles thoroughly established by the Rochdale Pioneers in England and by the Consumption Societies (Konsumvereine) in Germany. The need of rigid economy has never been accepted in America

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where there was so much food to waste; but there are indications that the era of reckless, childish exploitation and prodigality is near its end, and we must learn to husband our resources and the means of subsistence as older peoples have learned to do.[1]

Loans.—There are circumstances when the corporation finds it expedient to lend money to tested employees to buy homes, the property furnishing security after some payments have been made. The interest is low. When the loan is made, a life-insurance policy is taken out to protect the widow and children in case of the death of the borrowing employee.

Loans for consumption, in times of sickness and other unexpected and extraordinary trouble, are often made by employers without other material security than the right to deduct repayments by installments from wages. Knowledge of the character of the employee may make it reasonable to capitalize his honesty, and lend to him at a rate which a stranger could not safely grant, and which the pawnbroker or "loan shark" would contemptuously reject.

Accident Insurance.—Up to a recent date the workmen in hazardous employments had no legal protection in case of accident resulting in disability or death, except that paid under the employers' liability laws. No indemnity whatever could be collected in the courts unless it could be proved that the employer was negligent; a fact which was rare

[1] Fay: Coöperation at Home and Abroad.

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and difficult to prove. Litigation was costly and ate up the indemnity which occasionally was paid, and it gave annoyance and loss to employers.

To bring relief in this situation many employers voluntarily continued the wages or part of them, during illness; but this depended on the kindness of the employer and payments were irregular and uncertain. In case of violent death, when there was no legal claim, the employers would contribute along with others on a charity basis which was humiliating and unreliable.

An advance step was taken when employing companies drew up an accident-insurance contract, agreed to pay the expenses of administration, guaranteed the fund, and deducted the premiums from the wages. This was called "welfare work"; but strenuous objections were urged against it, the most serious being that the men were obliged to pay for a risk which belonged to the hazards of the business. If a man left the company his insurance ceased, unless he could find employment with another corporation which had established a similar scheme. Great antagonism was aroused by a clause in some of the contracts which required the employee to waive his right to sue the employer; he had no legal claim on a fund which his payments had helped to create. Some of the contracts omitted this objectionable condition.

After long agitation and discussion the legislatures of several states have attempted to make indemnities obligatory, on the principle that each trade, in pro-

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portion to its hazard, must pay for the risk and charge the cost of premiums of insurance in the price of the product as sold. The example of Germany, France, England and other European countries stimulated this movement; and it now seems probable that obligatory accident insurance in some form will become common in the United States.

COMPENSATION IS SATISFACTORY

From virtually every point of view workmen's compensation, as it operates in this country, has proved satisfactory. This, at least, has been the conclusion reached by a commission representing the American Federation of Labor and the National Civic Federation. Members of the commission visited cities in eight of the twenty-three states which have adopted compensation laws. They conferred with state commissions or accident boards and pursued correspondence with states that could not be reached otherwise. To quote its own words in its published report: "The commission found a growing satisfaction with compensation laws among both employers and workmen. All suggestion for changes related to improvements in the compensation law, no one seriously thinking of repealing it or going back to the old liability system. Persons attended the conferences who had originally opposed the compensation plan, but who, after experience under it, expressed their warm approval of its principles."

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Here are some of the commission's general conclusions:

"The commission found that workmen's compensation acts, either compulsory or elective, have in a large part of the country, become the prevailing method of adjusting the financial losses inflicted upon workmen by industrial accidents, and that not only are more than 5,000,000 workmen now operating under compensation laws, but that laws going into effect during the coming year will bring several million more workmen under this system. Even elective acts have been so generally accepted by employers and employees in states where they are in force that in those instances a vast majority of industrial accidents are covered. In these states that have had experience under the law general satisfaction is given both to employer and employee, and the opinion is generally expressed by those whom the commission met that such principles will soon be the ruling doctrine throughout the country.

"The laws have improved the relation existing between the employer and the employee; they have had a marked effect on accident prevention by calling attention to the subject and exciting interest in safeguarding machinery and in the organization of safety committees, and they have created a general campaign for accident prevention.

"In the states where there are industrial-accident boards having power to pass upon settlement agreements, to make rules and regulations, to require the filing of receipts showing the actual payments of

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compensation to the men and having arbitrations and hearings before them in cases of dispute, there was found no danger from fraud or deception on the part either of the employer or the workman. In these states the law is being fairly administered and employees are receiving promptly their full compensation under the law. It is evident that the law cannot be well administered except through a board or officials charged with powers and duties similar to those of the existing state boards."

These compensation laws are received with favor by the more farseeing employers who know that such a world movement is inevitable. As one of them has said: "We believe that this tendency to place the burden where it belongs is a great step in industrial betterment, that it will tend to maintain peace in industrial pursuits, and eliminate the feelings of hostility and hatred engendered by the old system of the damage suit based on negligence." [1]

Sickness Insurance.[2]—Loss of income is more fre-

[1] Robert Wurst: Article on the "National Metal Trades Association," *The Annals of the American Academy of Political and Social Science,* Nov., 1912.

[2] C. R. Henderson: Industrial Insurance in the United States (list). Bureau of Labor Reports.

I. M. Rubinow: Social Insurance.

Reports of the American Association of Labor Legislation, and of the National Civic Federation.

A striking illustration of the relative importance of sick benefits and accident indemnity is found in the report of the International Harvester Co., Sept. 1, 1908, to May 31, 1913. $543,987.50 were paid in cases of 699 deaths, and $14,059.80

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quently due to illness than to accident, yet the need of provision for this emergency has not yet been so generally recognized. The trade unions, mutual benefit societies and fraternal associations have fallen far short of adequacy. Corporations have occasionally made provision for sickness indemnity through the shop clubs or mutual benefit associations organized among the employees and subsidized by the employing company.

When sickness insurance becomes legally compulsory in the United States, as it has already become in great European nations, this form of welfare work will pass away, although there will always be opportunity for supplementary helps by wise and benevolent employers. Here is a field where pioneers in philanthropy may render valuable service to the next generation.

Pensions.—In the absence of a universal, federal, obligatory system of social insurance in the United States, various strong corporations have undertaken to provide old-age and invalidity pensions for their employees. The wisdom and permanence of these schemes are still in question. Certainly private arrangements, however beneficial, must in the light of

for 26 "special benefits"; 23,739 disability claims were paid: sickness, $442,309.73; accident, $114,328.26. Membership May 31, 1913, 31,769. Average number of employees during 1912, 42,979. April 30, 1914: 878 deaths, $682,119.17; 29 special benefits, $14,755.97; 27,327 disability claims paid; sickness, $565,589.62; accident, $127,139.27; total, $1,389,-604.00. Membership, April 30, 1914, 26,297.

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the world movement be regarded as transitional.[1]

Without attempting a description of these schemes we may call attention to their essential aims and principles so far as these have been developed in practice. In establishing a particular scheme the services of an actuary are indispensable. In the absence of legal obligation and uniform regulation the scope of experiment and speculation is at this stage very wide, and no common principle of interest or duty, public or private, has been accepted in America; while Germany and Great Britain have formulated their national purpose and embodied it in a system on an actuarial basis.

It is claimed by some critics that the employee suffers a loss of wages in accepting a pension scheme, but gains no contractual right in the fund. This criticism requires examination. In those schemes in which the employee pays no premium, the corporation providing the entire fund, the former does not suffer a loss of wages. In certain schemes where the employee is a contributor he is repaid with interest all he has paid or the greater part thereof in case he leaves the position for any cause; and in this situation he suffers no deduction from his wages. In the schemes where the employee is compelled to pay part of the premium and does not acquire any

[1] C. R. Henderson: Industrial Insurance in the United States, and literature there cited. Bureau of Labor Report.
Seager: Social Insurance.
I. Rubinow: *American Economic Review*, June, 1913, pp. 287-295.

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contractual claim on the fund which he has helped to create there is manifest injustice which demands legal correction.[1]

A satisfactory system must not lower wages, and must guarantee to each employee all to which he is in equity entitled. The fund should be based on actuarial calculations, should be independent of the financial fortunes of the company and should be adequate each year for the claims of the year. If the employee dies or leaves the service before the age when he is entitled to full pension, his just expectations should be met by such partial payments as may be reasonable; and all the provisions should be known and published from the beginning.

[1] *Benefit Funds.*—W. L. Chandler: "The Use of Benefit Funds Among Factory Employees." *The Dodge Idea,* Mar., 1913, p. 1070.

Statistics "compiled from over five hundred benefit funds in the United States and a few in Canada."

Thirty per cent. of funds receive regular contributions from the establishments, "but this seemingly has only the effect of lowering the cost to members, as no reasons are apparent why they cannot all be self-sustaining." Membership of all funds averaged 48 per cent. of total number of employees. Ninety-three per cent. of funds provide benefits for temporary disability due to sickness. Of all funds (comprising about 350,000 members) the average cost per member for one year for temporary disability due to sickness and accidents combined (sickness and accident cases not reported separately) was $3.42. Ninety per cent. of funds pay benefits for temporary disability due to accidents. Twelve per cent. of all funds pay benefits for permanent disability, and one-third of these apply the benefits to cases

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But at least during this transition from private to public systems we cannot ignore the value of the principle "that an employee who has given *faithful* and *long service* to his employers, has given a kind of service for which he has not been fully compen-

due to sickness as well as accidents. Of the funds paying benefits for permanent disability ¼ per cent. of members received such benefits in one year. Average cost per member covering both sickness and accident for the year was 48 cents.

Twelve per cent. of funds give benefits for permanent disability due to accident. Eighty-three per cent. of funds provide benefit for death of a member, due to sickness. Amount varies from $10 to $1,000. Average, $209.76. Ninety per cent. of funds provide benefit for death of a member due to accident. Twenty-two per cent. have benefits for death of members' wives. Ten per cent. have benefits for death of other dependents. Very few funds make any distinction between salaried employees and day workers. All funds provide different classes of membership based on sex. Of total membership of all funds, 10 per cent. are females. Of members of funds reporting female members, 11 per cent. are females. Of funds managed by employees only 30 per cent. of employees were members. Of those managed by establishment, 75 per cent. were enrolled. Of those managed jointly, 66 per cent. were enrolled. Fifteen per cent. had more or less compulsory membership.

W. L. Chandler: Views and Questions in Benefit Fund Discussion. *The Dodge Idea,* June, 1913, p. 1154. Eighty per cent. of funds managed by employees have entrance fees. Forty per cent. of funds under joint management have entrance fees. One under establishment rule has entrance fee. Fees range from 5 cents to $10.00; $1.00 the most common, 50 cents next. Two-thirds have assessments.

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sated in his weekly or his monthly pay envelope." [1] Why should not pay for this unpaid service be added to the regular wages? It cannot be added there for the simple reason that you cannot know whether a man renders "long and faithful" service until he has done it. All know that "long and faithful" service is worth more than brief, uncertain and disloyal service; but the pay of the extra value ought not to be given until the time is past and the test endured.

It may be objected to this reasoning that invalid and old-age pensions should be required by law of all employers and not be dependent on a workman's continuance all his life with the same employer. Granting this as sound, we yet hold to the "service annuity" idea expressed above; something should be voluntarily added to the legal pension, since it is earned in a special and personal relation. Here is another example where, even under compulsory old-age pension laws, there will be room for voluntary and special acts of equity and philanthropy.

But if, as men approach the age when the pension is expected, they are discharged for weakness, or on some other pretext, the whole system will be defeated; for its value as an incentive to fidelity and loyalty depends on the general belief in the sincerity of the managers. Doubt might be set at rest in part by guaranteeing at least an equitable pension after a certain long period of service, even if weak-

[1] Mr. Arthur Williams in Bul. 6, National Association of Corporation Schools.

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ness or unfaithfulness made it necessary to discharge the person at the stage where strength begins to fail. The complaints on this subject are so numerous and well founded that they cannot be ignored. Perhaps the evil cannot be corrected without legislation.

In Germany, where social insurance is obligatory (compulsory), it would seem that no further provision need be made by employers for disasters to workmen and their families. But an imperial or federal law must be based on averages and cannot take into account individual and special requirements. The proprietor, having direct relations with a group of workers whose local and even domestic condition is known to him, can always find some local defect in the working of a general law which he can correct. It may be the pension is too small for certain large families, or homes where there has been prolonged sickness with heavy expenses; or mechanical appliances recommended by the physician may be too costly for the family means, as trusses or spectacles; or a period in the mountain or by the sea may be desirable for convalescents; or a faithful employee may become disabled before the age when pension begins; or a widow and her children may not have claim on a pension for a similar reason. In these and similar situations room is left for personal generosity beyond the bare letter of the law. Doubtless when obligatory insurance is general in the United States there will still be many opportunities to manifest a human interest.

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Concerning old-age annuities Louis Brandeis suggests another aspect of an argument: "Economically, the superannuation provision may be considered as a *depreciation charge*. Every prudent manufacturer makes an annual charge for the depreciation of his machines, recognizing not merely physical depreciation, but lessened value through obsolescence. He looks forward to the time when the machine, though still in existence, and in perfect repair, will be unprofitable, and hence must be abandoned. This annual charge for depreciation he treats as a necessary expense of the business." Old age and invalidity must ever be regarded as necessary elements in the upkeep of the human instruments of production.

Life Insurance (*death benefits*).—One device is worth recording: the employing corporation makes a contract with a reputable life-insurance company; asks the employees to authorize the deduction from the wages at each payment sufficient to cover the premium; and thus the policy is kept alive. The insurance is quite independent of any reverses of the employers.

Fines.—It is generally believed by employers and accepted by employees, at least in many branches of manufacture and trade, that disciplinary measures are necessary. Under the ancient apprenticeship system the young workman could be punished with the rod; that is no longer possible, unless the father chooses to resort to this method at home to cure a lazy son. The fine is the only disciplinary measure

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available, and, as it touches the income, it is keenly and quickly felt.

At the same time, if fines are paid to the employer he has a manifest and direct interest in making them as high as possible; and even if he is impartial he is sure to be suspected. If the fine is levied and collected promptly, a careful record kept, and the amounts received are put into a fund for sickness and accident insurance, the benefits of which all employees share, the sense of justice is not offended, the employer is not hated or suspected, and the desirable disciplinary effect is fully secured without waste of friction and ill-will.

Security of Position; Rights of Employees in the Business.—For many years wage-earners have groped for some expression of their feeling that men who have spent years in learning a trade and in serving a certain firm or corporation acquire some sort of a claim to security of tenure. In public employment this principle is openly avowed; the "spoils system" with its arbitrary methods of selecting and discharging employees has gradually succumbed to the "merit system" which selects, retains and promotes public servants on examination, probation and continued evidence of efficiency in the positions. It was natural that the same principle should be applied to the service of private parties, especially of corporations created by charter of the commonwealth—hence the frequently recurring phrase, "a man's right to his job," and the intense hatred of the "scab" and the "strike-breaker." Gen-

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erally employers, still under the influence of the individualistic theory of liberalism and *laissez-faire* policies, have resolutely and vigorously fought this idea and contended that they had the absolute right to discharge without notice and without giving any explanation, just as employees may quit the employers. It must be confessed that if the right of wage-earners to their job is recognized there must be a corresponding recognition of duties, and men generally see their rights before they discover their duties.

At any rate, many capitalist managers have been turning over the subject in their minds, have themselves felt the hardships of insecure tenure of places, the wastes of anxiety, the perils of suspense and the atmosphere of suspicion, and have themselves groped for a remedy. The various pension schemes are substantial, if only partial, evidence of this feeling. The sale of stock shares to employees on favorable terms is another sign. The system of unemployment insurance, already in operation in Great Britain, will be one of the methods of giving to this new claim legal force and precise definition.

The Honorable Seth Low, distinguished representative of the best political and commercial tendencies, has given this almost instinctive feeling an articulate expression in prophetic words:

"There has grown up very widely among employees the feeling that the men who put labor into a railroad system, or into any other vast industrial plant, help to create that system just as truly as the

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men who put their money into it; and out of this belief there has grown and is growing a constantly strengthening conviction that those who work for such an enterprise acquire a property right in it just as real as the property right of those who embark capital in it. The problem of modern industry, so far as it relates to the relation of the employer and employee, seems to be to discover the just, and equitable, and practical way of reconciling these two claims to property right in modern industry. As long as business enterprises were under individual management, it was not unnatural for a man, whose energy built up the enterprise and whose entire fortune had been at risk in developing it, to feel that it was his business. Neither was this claim seriously disputed by labor under old conditions. But the situation, evidently, is entirely changed when an enterprise is financed by tens of thousands of stockholders who give no time or thought whatever to its conduct, and when its affairs are administered not by the people who finance it, but by salaried officials." [1]

It is perfectly clear that an absolute denial of any claim to permanency of employment on the part of employers will increase the momentum of Socialism, because the workmen can see that under Socialism their tenure of office would be as secure as that of government officials is now under a good merit

[1] *Annals of American Academy,* Nov., 1912, 100 ff. Cf. article by Prof. A. W. Small, *American Journal of Sociology,* May, 1914, xix, 721 ff.

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system. Perhaps they do not so easily appreciate the fact that any system which guarantees security of employment must involve a severity and rigor of social control of individual action now unknown; there is always a conflict between personal liberty and comfort or ease. The extent of that disadvantage is subject to the speculations of prophecy and cannot be scientifically calculated from any data yet available. Meantime the most sagacious managers will discover by experiment practical methods of diminishing the terrors of insecurity, of making men feel that only for imperative reasons need the workmen fear discharge. This experimentation will lead ultimately to a great system of coöperation between employers, on a national scale, and through federal organization, to diminish these heartbreaking and demoralizing periods of unemployment, and when this is impossible to provide unbroken income until employment can be furnished.

Private pension plans, however generously conceived, have disadvantages. They are created only in a few cases, and there is no legal assurance of their extension. Usually the entire cost is borne by the employers and this gives them the right to fix the terms of enjoyment. Whatever may be the intention, the necessary practical effect is subordination, even subjection, of the employee to the corporation. One conspicuous instance is reported: "In order to enjoy its benefits, the men must have served twenty years continuously in the employ of the corporation or of one of its subsidiaries. This

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effectively prevents any stoppage of work as a protest against anything considered unjust by the workmen, if they would keep their record such as to enable them to draw the pension in their old age. There is nothing in it to protect a man excepting his subservience to his superior officers, and the nearer he approaches toward twenty years of continuous service, the greater his subservience may conceivably be, for he might be discharged at the end of nineteen years and eleven months and his right to the pension would be forfeited." [1]

In some so-called "profit-sharing" schemes the bonus on stock is not received as a right but is paid only to those whom the executive officials of the company consider loyal.

In the German system the pension does not depend upon private favors but upon a well-defined legal right, a right which may be transferred from one place of employment to another. Under a monarchical form of government free and independent citizenship is in this matter better protected than in this "land of the free."

[1] John A. Fitch: Article in *Annals of American Academy*, July, 1912, 10 ff.

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CHAPTER IV

METHODS OF IMPROVING THE CONDITIONS OF HOME LIFE OF EMPLOYEES

Family and Home of Employees.—"A man's house is his castle" is a proverb which expresses the ethical and legal independence of a citizen's home. It would seem that any hint of interference with domestic affairs would array against the most benevolent employer the hostility of those who are affected. Generally this would be true, and the employers have felt that they had no right to invade this sanctuary for any purpose. In large cities where the work-people are scattered in all directions and may come from any quarter the employers can have little influence on the domestic conditions of their employees.

But there are situations where the company practically controls the dwellings of the workers, and here they have a duty and cannot evade a responsibility. Frequently a great firm will buy a large tract of land on which to establish a manufacturing establishment, yet there will be no accessible houses for the families. To leave the construction and arrangement of homes, streets, parks and public spaces to the unorganized throng of strangers would

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be to invite disaster. The possession of power, resources and talent involves a corresponding obligation. There is also a definite personal and pecuniary interest at stake on the part of the managers, directors and stockholders, for the health, morality, contentment and good-feeling of the people are an asset of appreciable importance.

The impulse of humanity, the pride of the master, the incentive of security for property and gain, blend in the amalgam motive that inspires the charming industrial towns which have been created by strong captains of industry both in Europe and America.

Should the dwellings be rented or owned by the workingmen? On this question there is dispute both in Europe and America. The problem varies with the situation and with the group.

When there is probability of permanent employment there are great advantages in encouraging ownership. The habit of thrift is stimulated by the hope of securing a home. Men are more likely to be sober, steady, industrious and faithful if they own visible property.

Unfortunately multitudes of wage-earners have no assurance of permanent employment, and if they buy a dwelling and place a mortgage on it to cover the debt incurred by purchase they may lose all. If they move away the property must sometimes be put on the market at forced sale and disposed of at a sacrifice. If the owners do not occupy the house it may be ruined by careless tenants. Furthermore, a man who owns his house has given a hostage to his

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employer and is not so independent in the assertion of his claims in case of strikes.

From the standpoint of the employing corporation, objections to individual ownership are raised. It may be impossible to plan the area of building so as to secure proper recreation grounds, play spaces, public baths and laundries, gardens and correct style of architecture. Each owner will follow his own taste and be governed by the amount he can invest, and the result is ugliness, disorder, inconvenience and insanitary arrangements. The workman who is trying to pay off the debt on his house by installments is sorely tempted to crowd his best rooms with lodgers, a constant menace to the health and morals of the family.

The Dwelling a Primary Necessity of Life.[1]—Next to food the primary necessity of life is the dwelling. Those who are seeking the conditions of highest efficiency in the shop will find some of the most important of them in the home. If the money-maker has an ambition to be a good citizen he will give as serious attention to the habitations of his employees as to the roof of his mill. The capitalist manager has intelligence and influence, and he is under obligation to use his power as a citizen for the benefit of those who make his capital productive. If a corporation discovers that its employees are living in houses which are condemned by the standards of physiology, by the esthetic standards of re-

[1] *See* Mrs. Albion Fellows Bacon: What Bad Housing Means to a Community, *and* Beauty for Ashes.

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fined people, and by the moral standard of the decent, it should secure legislation and administration which will correct abuses and compel landlords to conform to the requirements of modern science. There would be less need of "professional reformers" and less need of abusing them for impertinent interference, if those who control property had a more enlightened conscience in regard to their civic responsibilities. In some cases the companies own the houses in which their miners or other laborers are compelled to reside; and then their responsibility is all the more direct.

If any unscrupulous owner of uninhabitable houses wishes to sleep of nights he is hereby faithfully warned to place on his expurgated list of books "The Peril and the Preservation of the Home," by Jacob Riis, humorist, reformer, optimist, saint, of blessed memory. It was he who thought the chief interest in a habitation is the kind of character it produces. "A pigsty, in time, will make a pig even of man who is made in the image of God. You can degrade him to that level, if you try hard enough and are willing to pay the price." He will tell us what to think of men who send agents to collect 40 per cent. profits from hovels and spend the money on European travel, costly pictures, and endless luxuries.

Correction of these housing evils is a matter of conscience and will.

Benefits of Improved Housing.—The experience of Liverpool, England, is a striking proof of the

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spiritual value of improving the outward conditions of domestic life. During the earlier years of the last century, under a social philosophy of negligence, that city, which was growing in wealth and fame, permitted its dock laborers to inhabit dwellings which were repulsive to sight, dangerous to health, destructive of morals. Landlords reaped fortunes while humanity decayed, and only the most vigorous agitation aroused the authorities to action. The owners and employers would do nothing of their own motion, and the municipality was compelled to take possession of a large district. It built decent little cottages in rows, with play spaces between, and transferred the inhabitants of the deadly shacks to more decent quarters. In 1864 there were 22,000 insanitary dwellings in the city. After the new policy was carried out for some time the death rate declined from 50 to 27 per 1,000; deaths from tuberculosis from 4 to 1.9; typhus fever, once prevalent, disappeared entirely; typhoid fever from 1,300 cases in 1896 to 200 cases in 1911. The police prosecutions fell 50 per cent.[1]

A Suburban Plan.—In 1910 the Liverpool Suburb Tenants, Limited, was organized. It leased 180 acres on the Marquis of Salisbury estate for 999 years. One acre in every ten was reserved for open spaces; eleven houses were built per acre; 1,800 houses for 7,000 persons. The streets, thirty-six to eighty feet wide, were lined with trees. Lawns for tennis players, and bowling greens, children's

[1] *The American City,* Apr., 1913, pp. 429-430.

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playground with swings and other apparatus were included in the plan.

Conditions of Successful Plans.—Certain conditions must be observed by all those who attempt to provide "model" dwellings for working people. The rental must be low enough for the members of the group to pay, since the cost of shelter must not exceed a definite part of the income. The studies of family budgets thus far do not enable us to fix this ratio with exactness. A second condition of keeping the dwellings in sanitary condition is some provision for constant supervision and control. Furthermore, when decent habitations have been built the well-paid artisans are inclined to take them, fresh and clean, and crowd out the poor laborers for whom they were provided. Many schemes have come to grief at this point.

Standard for Dwellings.—Requirements for shelter cannot be so exactly stated as those for food.

Dr. Chapin [1] reaches the conclusion that a family requires at least one room to every one and a half persons. But the arrangements for light, ventilation, exclusion of lodgers, sanitary appliances, care of courts, proximity of playgrounds and other factors must also be studied in connection with a standard.

In the Port Sunlight village [2] no house has less

[1] R. C. Chapin: The Standard of Living, p. 18.
S. Nearing: Financing the Wage Earner's Family, p. 73.

[2] W. L. George: Laborer and Housing at Port Sunlight (1909), 72 ff. This book contains many technical descriptions of arrangements.

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than five rooms, three of which are bedrooms. Mr. George says: "If the Port Sunlight system is to solve the housing problem, it will be because it has accepted and exceeded the four-room standard, without which it is difficult for a family to be brought up, I do not say under good sanitary conditions . . . but in such a manner as to fit its members to take their place among those that are clean in mind and soul." And after describing the depraving conditions of crowding in London and other cities he adds: "Their fate is to be subjected from their childhood upward to the foulest temptations and examples, to be herded together irrespective of age or sex, untaught and unshepherded, to be taunted in after years with their moral degradation by the middle-class authors of their misery. We know or should realize that at the root of all forms of vice, particularly drunkenness, lies the problem of housing; evil conditions mean depression, and, for the slag of a social system, the only resource, fleeting but efficacious, is the public-house, and its costly hospitality." [1] The claim is made for the Port Sunlight experiment that it has reduced intemperance. One of the first effects of twenty years of good housing has been a deep and probably radical transformation of habits said to be hereditary, but due in reality to an apparently hopeless combination of evils. Cleanliness accompanies sobriety; illegitimacy is rare; no drunkenness, no deserted wives and children, no wife beating, no immorality;

[1] *See* Charles Kingsley: Yeast.

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increased deposits in the savings banks; low rate of infant mortality, which is the best indication of wholesome conditions and habits; regular school attendance of the children.

In the celebrated town built up by the Krupp Company near Essen, Germany,[1] the corporation laid out the area, planned the buildings, and arranged the common services. In this case the firm could command sufficient capital to make plans on a grand scale, to build many dwellings at the lowest cost per room, and to command the services of the best architects. The houses are rented under contracts which permit control by supervisors, in order to keep out persons and families which are disagreeable, disorderly, immoral, or where children are not under efficient domestic discipline. Sanitary conditions are supervised and evils promptly corrected. These regulations may be felt as an unwarranted invasion of personal liberty; but those who do not like order and cleanliness are at liberty to go further and do worse, outside. As a matter of fact the demand is said to go before the supply and only families who have worked some years for the firm can be accommodated. The workmen are near to their work and are not exhausted by long tramps between their homes and the mill.

Legal Obstacles.—The laws relating to corporations are occasionally found in conflict with the plans

[1] W. Kley: Bei Krupp, eine socialpolitische Reiseskizze (1899).

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to provide dwellings for employees through coöperative arrangements.

Thus in Illinois the Pullman Company, formed primarily for the purpose of manufacturing cars, built a model town for the residence of the workmen's families. After many years, upon trial of a test case, the Supreme Court of the state compelled the company to dispose of its ownership and control of this property, on the ground that it had not been given the right in its articles of incorporation to engage in the business.[1]

Another legal obstacle has been raised by the fear in America lest *latifundia* or "bonanza" tracts shall be owned by capitalists, perhaps by foreigners, and thus a race of serfs be created and have no power to purchase homesteads near where they must work. In consequence of this fear, there are laws which forbid the acquisition of land for the erection of garden villages on even a philanthropic or coöperative basis. In making plans these legal difficulties must be carefully considered in advance, as the Pullman case shows.

Coöperation with Municipalities.—In the crowded quarters of manufacturing towns the effort to improve dwellings cannot be made a separate issue. Nevertheless all rational motives impel wise managers to coöperate in the general plans of betterment made by the municipality or state. The capitalists as a permanent class have a common interest in the rearing of generations of laborers under

[1] People *ex rel.* Maloney's Pullman Co., 175 Ill. 125.

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wholesome conditions, and their influential coöperation with public authorities is in the highest degree socially desirable.

One method of providing homes is that of forming a real-estate company which lays out a tract of land under the direction of landscape artists, engineers and architects, builds cottages with pleasing and varied architecture, plants trees, and then sells to the workmen on easy terms. In such cases the purchaser must have assurance that if he leaves the service of the company his investment and tenure will not be placed in jeopardy. An intelligent man does not like to feel that his ownership may involve him in a degree of servile dependence.

Perhaps welfare work shines nowhere else with brighter luster than in those industrial villages where families can have a little space of their own, a garden for congenial occupation and enjoyment of the fruits of family coöperation, and access to the refined pleasures of a decent and rational existence.

Experience has shown that many families, even when accustomed to the excitement of the crowded city, are willing to escape from the smoke, grime and friction of the tenements if they can be sure of a suburban home where the children have elbow-room without fighting for it with each other and with the policemen. The denizen of the metropolis rarely likes the solitude and deadly quiet of an isolated farm; but he may be enticed halfway to the land, if he does not thereby lose touch with his fellows.

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The tenement house is, for economic reasons, a necessity in cities, and yet it cannot be made a normal habitation for a family,[1] even with the aid of a brief summer outing in the country. The improvement in physique and in all that depends on this must be sought chiefly in rearrangement of suburban and small town industries so as to give more space for homes, and a little opportunity for the primitive industry of gardening.

When a town is built to order and on separate territory it must be complete; nothing can be left to chance. The dwellings must be protected against the encroachment of work-places with their smoking chimneys, their masses of raw materials, their utilitarian lines of structure, their insistent suggestions of painful toil. The mills and factories must be restricted to the areas set apart for them at a proper distance from homes. The streets are not ready for use without planting of trees, breadths of green sward and neat pavements and walks. A little space for flowers, shrubs and gardens must be in the plans. At intervals playgrounds for the children are reserved and equipped. "No child to be more than five minutes' walk from a playground," is an English rule worth following everywhere; it gives definite expression to a concrete moral standard. Reading-rooms, libraries, bowling alleys, swimming pools, schools, halls for entertainment, open-air amphitheaters for drama and music, and properly equipped theater with stage for winter, recreation grounds for

[1] De Forest and Veiller: The Tenement House Problem.

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men, women and children, are modern necessities, and nearness to home adds to their value. The rent must be low enough to attract working people from the insanitary tenements of cities.

In these suburban quarters, and also in the "garden cities," skillful teachers of gardening make the little patches of soil far more prolific than they would be without professional guidance.

Significant is the garden in connection with the home. It is a sure and important source of income.[1] The yield of a small plot of ground, carefully cultivated, is incredible to an ordinary farmer accustomed to superficial exploitation by extensive methods. With a little care we might learn from the Chinese and Japanese how the waste and refuse of the household enter by the cycle of transformations into materials for new life and solve the problem of sewage and garbage removal. The older children and the wife can, without the dangers of factory labor, add to the material resources of the home.

The garden becomes in hours of leisure and Sundays a playground where parents and children enjoy most satisfactory recreation out of a profitable enterprise, as can be seen in the open spaces near Leipsic and other German cities.

The fruitful, responsive garden is a rival of the

[1] Kropotkin: The Conquest of Bread.
F. H. King: Farmers of Forty Centuries.
Bolton Hall: Three Acres and Liberty; A Little Land and a Living.

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saloon, and gives the man a share in the creation of beautiful flowers and shrubs which awaken his esthetic nature and give insight into biology, and an interest in all science which can be stimulated and deepened by lectures and exhibits.

The offer of prizes for the best vegetables, flowers and fruits furnishes a motive for beginning, as the county fair has long since made clear. It is not the pecuniary value of the premium alone which inspires action, but chiefly the social distinction, which is emphasized by publication of the honors won, in local newspapers.

It is said that many miners are of a roving disposition, which is in part caused by irregularity of employment, with intervals of idleness; and that the cultivation of a garden tends to keep them at home, and so to favor steady habits. One does not like in midsummer to go off on a spree and leave two hundred dollars' worth of vegetables to weeds and thieves.

Inspection and Control of Dwellings.—The Ford Company (automobile manufacturers) has introduced startling and even spectacular changes in their shops, offering wages which few competing firms could offer without facing early bankruptcy. It is too early to foresee the outcome in this exceptional instance, but it is worth while to point out the fact that this increase of wages is accompanied by drastic and even despotic measures to increase efficiency—measures which extend to inspection and control of the personal habits and domestic life of the employ-

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ees. People who are rather critical may have condemned Mr. Ford's plan of dividing the profits of his automobile business with his men, providing a $5 minimum wage and thus bestowing on many what must appear to them to be sudden wealth. It seems, however, that he had given full thought to the effects and consequences of the step before it was taken. He hopes that the increased wages will be well spent, if a considerable amount of friendly espionage—if it may be called so—can effect that result.

"The man who finds himself blessed with an income such as he had never hoped to attain," writes Len G. Shaw for the *Detroit Free Press*, "is not going to be left to work out his own salvation, according to the light he may possess. He must give an accounting of his stewardship along more rigid lines than were ever before attempted in profit-sharing; but it is equally true that as administrator of his own destiny he is to receive assistance such as was never before rendered by a manufacturing corporation or any other agency, for that matter."

Mr. Shaw continues:

"The public had not recovered from its surprise when a staff of investigators started forth, charged with most unusual duties. Straight into the homes of employees these men went. They set about the task as methodically as they make automobiles in the plant where this revolution had taken place.

"Each man carried with him a list of names of employees. There was the most astonishing impartiality in this respect. Tony Catalina, laborer, who

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at night crawled into a dirty bed in a third-class lodging house, and the foreman of a department who had been with the company for years, might appear on one list. And each would come in for as searching an investigation as the other. The information thus gained is going to play an important part in the future welfare of Tony Catalina and the foreman. Upon their worth as citizens and the manner in which they improve their opportunities will be dependent the increased remuneration they receive, for it is here as elsewhere a survival of the fittest.

"It is often the case that a man of extraordinary efficiency in the plant has no appreciation of his duty to the community at large, no regard for home life. His conduct outside working hours may be such that he is a menace to the morals of the neighborhood. He may live amid unspeakable conditions. If such a state of affairs is unearthed, the man is informed that he must turn over a new leaf—and keep it turned. He must better his own manner of living and that of those dependent upon him, if such there are, or he cannot continue to share in the benefits to be distributed. He will be given every encouragement and afforded all the assistance possible if he evinces a willingness to make good. If after a fair trial no improvement is shown he is down and out, and again it makes no difference whether it is humble Tony Catalina, laborer, or a high-salaried foreman.

"On the other hand, it is very often the case that a man of mediocre capabilities owns or is paying

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for his home and is bringing his family up in comparative luxury. This will be taken note of and serve as a credit in striking the balance it is intended to maintain for all time.

"It is the determination of the company that all money disbursed in the form of increased wages shall be devoted to some useful purpose.

"Where such a course is justified, there will be insistence upon housing conditions undergoing a change. This demand will be made reasonable because of the increased compensation a man will receive, and his ability to thus provide more comfortable quarters.

"Employees will be urged to invest in land contracts, or start savings accounts. What is more, they will from time to time be required to render an accounting of what has been accomplished. And the more favorable the showing, all things taken into consideration, the greater will be the reward. Factory efficiency will be reckoned in this connection, thus silencing the criticism of those who asserted that a wholesale raising of wages tended to throttle ambition and kill off individualism.

"Every beneficiary is placed on his individual honor, but a complete record of his conduct will be constantly available—shop and home progress, what becomes of the money he receives—and woe betide the one who attempts misrepresentation.

"This system of registration is unique in an undertaking of this nature. By reference to it there can be determined in an instant the habits of every

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employee, age, family relations, whether single or married, how many are dependent upon him, etc. Nothing is taken for granted. Armed with what information can be obtained from the man himself, the investigator calls at the home or the boarding house and ascertains conditions there. The quest for facts is carried even further. The seeker after light visits the haunts of individuals, becomes acquainted with their associates, and thus learns what he wants to know from presumably reliable sources. On these findings he bases his report, and this to a large extent determines the disposition of the case, unless an appeal is taken.

"It will be ascertained whether the foreign laborers plan to bring their families to this country in the near future, or whether they are saving up so they can go back to their native land. They will be encouraged to bank their money, instead of trusting it to the keeping of their fellow-boarders or hoarding it away in hiding-places that are not always secret. The question of better housing for this class must soon or late come up for solution, and it is more than likely that municipal coöperation will be invited along this line."

Results are already apparent. Efficiency in the works has increased. Mr. Ford is quoted by John A. Fitch in *The Survey* as saying that "our men are doing as much work now in eight hours as they did before in nine." From the same source it is learned that already there has been a remarkable epidemic of housecleaning.

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This remarkable experiment forces upon us the question whether a method which produces such excellent results under private and unauthorized direction should not be made the duty of authorized public officials; if such surveillance is desirable on a small scale and with the corps of a single firm why is it not desirable for all men, in all industrial centers? Would it not be well to improve the quality and extend the functions of municipal health departments, and provide them adequate means for enforcing the regulations demanded by modern hygienic science? It may be well to remember that the deliverance of the Philippines and of the Panama Canal Zone from the ancient plagues of tropical regions was not due chiefly to the special knowledge of the surgeons in charge, but to the fact that modern medical men were there for the first time clothed with sufficient power to drill and discipline negligent and uninstructed laymen until the very sources of infection were removed. This lesson of private enterprise and of public achievement should not be lost upon the administrators of our cities. The best service of a vigorous and inventive manager is to set the pace for the governments which are the organs of all the people.

Octavia Hill Methods.—Not only must dwellings be inspected to prevent filth and disease, but there are whole communities which require visitors, armed with the rights and authority of rent collectors, to make friends with the occupants and use their influence to improve habits and character. This is a lesson which the famous and honored Octavia Hill, as-

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sisted by John Ruskin, has taught the world. The eminent economist, Professor Karl Buecher, praised her work and declared that human kindness has a high pecuniary value.[1]

[1] For a list of works on housing and town planning, *see A Guide to Reading* in Social Ethics and Allied Subjects, by teachers in Harvard University, 81 ff. The National Housing Association, 105 East 22d street, New York City, will furnish information. The Russell Sage Foundation, New York City, is making experiments with modest suburban homes which deserve attention. *See* Grosvenor Atterbury: Model Towns in America.

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CHAPTER V

NEGLECTED AND HOMELESS YOUTHFUL EMPLOYEES

Responsibility.—The great industries are magnets which annually attract a vast number of girls and boys to the towns and cities from the farms where there is not enough employment for all. It is true that many of these minors live at home with their parents and are under their care; but multitudes are exposed to all the vicissitudes and temptations of city life, without mentors, and with their earnings free from control. The problem of securing a decent boarding place is difficult, and a mistake may mean moral perdition. Employers of such minors must recognize that they have here a duty to perform, even if they refuse to admit such obligation in regard to adults.

The capitalist managers as a class have a pecuniary interest in all the groups of the population which furnish the supply of labor; but this is only one consideration. The capitalist managers control not only wealth but men, and they have influence with officials and legislators. Through their clubs and associations they can wield a mighty force in directing law-makers and executive actions. The managers of business enterprise are also citizens,

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and a growing number of them have the worthy ambition to make themselves felt for good in the government of cities, states and nation. It is to such motives appeal is made here on behalf of neglected and exploited children and youth in our industrial and commercial centers who, if they survive the diseases of early life, enter the productive processes crippled, mutilated, diseased, demoralized. The theme is too large for a chapter, yet too important to pass over in a discussion designed to indicate some of the responsibilities and opportunities of employers.

First of all, in spite of many improvements and reforms, we permit children to work at street trades, and it has been difficult or impossible to secure the coöperation of many of the great newspapers in attracting public attention to this evil. It is pitiful how a mistaken notion of financial interest will blind the eyes of keen and intelligent men to the physical and moral perils of children engaged in selling papers on the streets, especially young girls. The evils are so little understood by the general public that generous persons make a virtue of buying papers of the miserable and ragged creature who shivers and sobs on the street of a wintry night and begs the men to buy. There have been those who through sheer ignorance of the consequences of street trades actually defend them on the ground that these "little merchants" are acquiring experience in "business"; and thus public opinion not only tolerates but fosters these "blind alley" occupations out of which the youth emerges

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with the loss of the best years of his life for training in a really useful trade. The waste of humanity in these street trades without a future is something tragic. Among the worst offenders have been the telegraph and express companies, who, when permitted by public apathy, blindness and defective law, have sent lads at night into saloons and houses of ill fame. What kind of citizens can come out of such unclean experiences? There are enough crippled men and aged persons to do all such errands without spoiling life in the bud.

In a single chapter Mrs. Bowen,[1] who has directed wealth, work, and talent to the protection of children and youth, recites some of the further measures of protection which ought to be adopted. She complains, and justly, that when women's clubs had at their own cost and by their own patient labor and sacrifice established nurses in the public schools, and probation officers in the juvenile courts, and gathered facts about the exploitation of children and women in factories, they were excluded from all control of the institutions thus created and men with a "pull" reigned supreme! For many years women have pleaded for a birth registration law; for an act raising the "age of consent," for municipal control of the milk supply, for social service in public outdoor relief, for an efficient child labor law, for an effective method of protecting unmarried mothers and their babes, for a more sane marriage license

[1] "Safeguards for City Youth at Work and Play."

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system, for obligatory asylum treatment of irresponsible girls. In a great measure their wise, sane, persistent, and patriotic efforts have resulted in securing the enactment of laws by legislatures which resisted to the last hour—and then? The politicians gave the offices to other politicians of a lower class and the women were compelled to toil on to make the law accomplish something in spite of the "Machine." If the busy men of this country really wish to improve the condition of life for children they must give a larger legal and political power to those who have leisure to inquire and the maternal instincts and experience, that is to women. He who really and sincerely wills an end must also will the necessary means for accomplishing the end.

Typical homes for working boys are found in various German industrial centers. One is described as a stately house built on a sunny slope. The ground floor contains a large dining-room and two living-rooms provided with newspapers and games. The dwelling of the manager of the house, with its servants' rooms and housekeeping rooms, is separate and has a separate entrance. The first and second stories contain 11 rooms with a total of 30 beds, a washroom and toilet. Each boy has a bed, a table, a mirror, and a clothespress containing several drawers fitted with locks. The bedrooms are used only for sleeping and are not heated. All other rooms, including the hall, are heated by a central heating system. Hot and cold water is furnished in the washroom, and a cupboard is set apart for every

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lad in which he can keep a towel and necessary utensils. The house furnishes bed linen, night-shirt and towels.[1] The basement contains the heating plant, housekeeping rooms, store-room and lockers. For board and lodging each boy pays 96 cents a week, which barely covers cost. The firm offers the house free and pays for management. A cultured woman manages the house and cares for the boys like a mother. The establishment is not only a boarding house but the nearest possible substitute for a home and school.

"It has been estimated that if a girl does not live at home she cannot live on less than $8.00 per week, for she must pay $1.50 to $2.00 a week for her room, $3.00 for her board, 60 cents for her carfare and 90 cents for luncheons; this leaves her only $1.50 or $2.00 for clothes, doctors, dentists, literature and recreation." A study of 200 girls in department stores in Chicago showed that the wages ran from $2.50 to $11.00 a week, the majority under $8.00. The report of the Commissioner of Labor on "Conditions of Women and Child Wage Earners in the United States" shows that in 8 of the leading department stores of Chicago, out of 13,160 women and girls, over one-half, or 7,033, earned less than $8.00 a week; many less than $5.00 a week; 13 per cent. in retail stores, 29 per cent. in clothing trades, 27 per cent. in candy trades, 17 per cent. in box factories, 5 per cent. in corset factories, 29 per cent. in

[1] Kübler und Niethammer: in Albrecht; Handb. der Soz. Wohlf., i, 134 ff.

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stockyards less than $5.00 per week. Even if the girls live at home 81 per cent. of factory women in Chicago and 78 per cent. of those working in department stores contribute of their earnings to the family exchequer.

There are 5,000,000 working women in the United States, one-half of them under 24 years of age; one-fifth of them earn less than $200 a year or $4 a week; 3.5 per cent. earn less than $325 a year or about $6 a week.

"The girl who lives at home and who gives her wages to her mother, is of course protected in that she is sheltered and fed, but the girl who is not living at home is obliged to rent the cheapest room she can find from a landlady who is utilizing every possible inch of space for lodgers; the girl is able to rent only a small hall bedroom, badly lighted, inadequately ventilated and poorly furnished, and it is only a short time before impure air and improperly cooked food produce an anemic condition which offers a fertile field for disease." [1]

The facts made known by such investigations reveal gross neglect and serious responsibility of managers of hotels, restaurants, department stores and factories. Under such conditions health is broken down, women are rendered unfit for maternal func-

[1] Mrs. Louise de Koven Bowen: Safeguards for City Youth, pp. 55-56—a book full of information on the conditions surrounding young people in cities.

Cf. Jane Addams: The Spirit of Youth and the City Streets.

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tions, life is joyless, monotonous, and the path beset by temptations. The only wonder is that more girls are not driven into the ways of the prostitute. Mrs. Bowen, while insisting upon these dangers to character, urges that we should not suspect the honesty of the majority of these working girls and women. "I cannot but deplore the general inference that is being made at the present time that large numbers of girls are being driven into a disreputable life because they receive an insufficient wage. While it is true that girls who are inadequately fed, badly housed and poorly clothed sometimes do yield to temptation in order that they may live more comfortably, yet on the other hand, there is an enormous number and of course by far the larger part of them who not only resist temptation, but, true to their traditions and innate convictions, turn indignantly from it." [1]

The excuse offered by many employers is that they cannot afford to provide better quarters and pay higher wages because competition fixes these conditions of the labor market, and that any attempt to provide decent income and accommodations would mean bankruptcy. There is a grain of truth in this explanation and apology, but there is a way out, if the managers are in earnest; they can encourage collective bargaining and minimum-wage laws, the only means ever yet found effective for raising the level of competition to a plane where the intelligent consumer can enjoy commodities and services without

[1] *Op. cit.*

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the pangs of remorse. Only too often the employers have combined to resist these efforts, and in that case they must bear as a class the full responsibility for the continuance of abuses which ought to shock the moral nature of every citizen.

Even short of these general measures it is possible to provide social secretaries in hotels, restaurants, factories and mercantile establishments who can hear complaints, give wise counsel to ignorant young girls, and bring immoral brutes of foremen, guests or customers to punishment for luring their inexperienced victims into places of evil repute.

Working Girls' Homes.—These are in all essential particulars similar to those for boys; only that girls can do more in the way of caring for their own rooms, washing and even cooking for themselves. Instruction in household arts is for its own sake very desirable.

In Germany the managers sometimes invite the coöperation of orders of Catholic or Protestant religious sisters or brothers to have the care of the young people; this reduces the cost and improves the quality of the service.

In Osaka, Japan, some of the boarding establishments for girls observed by the writer are very elaborate, and beautiful though simple. The customs and climate permit the use of dormitories almost without furniture, but clean, tidy and comfortable. The employees of the vast textile mills are not obliged to leave the grounds for their entertainment, and any excursions about the city would be ruin to

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their character and reputation. Within the ample grounds are coöperative bazaars where purchases can be made at cost. A theater furnishes amusement and recreation. The ceremonial feminine etiquette of the nation is taught by competent instructors. Medical advice and hospital care are ever ready at hand.

At Madras, India, a British company employing young women from the rural regions, has established a considerable village of different buildings for dormitories, recreation, schools, hospital and all the essentials of complete living. The temporary transfer from clay floors of mud huts, with their insanitary and ugly surroundings, to these superior dwellings, must breed a discontent with the customary conditions which will bring pain, but also, we may hope, improvement at last in the native homes. This has certainly been the influence of similar experience at Hampton, Virginia, and Tuskegee, Alabama, in the case of the negro girls. If satisfied happiness with filth is better than the misery which accompanies struggle for a higher level, of course this experiment is open to severe criticism.

In a laudable desire to protect young women from temptation it is easy to adopt regulations totally foreign to the spirit of the best American life. Liberty and self-direction have their perils, and occasionally lapses from virtue will make even adventurous spirits almost skeptical of freedom. Yet there is no permanent security for character except in self-control. Walls and bars will never trans-

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form a feeble-minded person into a strong woman who not only protects herself from insult by her modesty and dignity, but even arouses in men a respect for womankind which makes boys and men purer and stronger. When the manager has used all reasonable measures for warding off temptation and providing means for rational living he must trust the forces of social idealism for the rest. Those who fail should be sent to a celibate colony of the feeble-minded for custodial treatment; they will be comparatively few, if educational and religious influences of the right quality are offered.

Homes for working girls must be free from patronage, petty espionage and harsh rules. "To a self-respecting young woman who is working hard to earn her own way in the world, the attitude of patronage and the feeling that she is being partially supported by charity are intolerable. The endless rules and regulations, the apparent assumption that she is by nature immoral and can be prevented from going straight to ruin only by being hedged about by all sorts of ironclad restrictions, are insulting and humiliating to her, and make the inmates of the 'home' (God save the mark!) both rebellious and unhappy." [1]

Closely related to these boarding homes for minors and other unmarried persons away from home are the self-supporting clubs which provide similar wholesome surroundings for employees in cities, without direct connection with particular estab-

[1] Mary K. Maule.

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lishments. Experiments have shown that an association of wise and capable philanthropists can organize such clubs in a way to maintain self-respect; the founders securing the capital and credit necessary for renting the buildings and furnishing equipment, and assuring an economic management, while the weekly payments cover all expenses and reimburse the founders for the original outlay.

"A model dwelling for girls employed in the government post-office and telegraph and telephone offices has been established in Paris. As in other cities many of these young women live in the poorer quarters of the city, are improperly cared for and are exposed to many privations and temptations; many are homeless or far from parental influences. A company was formed with a capital of $80,000. A house was built, seven stories in height. In the basement is the kitchen; on the ground floor the hall, drawing-room, dining-room, and parlor. The walls are largely of glass for 'of all flowers, the human requires the most sun.' The floors are of marble. On the ground floor is a beautiful 'Jardin Français' decorated with flowers and shrubs. On each floor are eighteen separate rooms, including sleeping-rooms, pantries, bathrooms, telephone booths. The rooms are attractively decorated, and everything is washable, even to curtains and walls. The rooms are lighted by electricity and heated by steam, and each one opens upon a balcony. During the summer months the girls are expected to cultivate balcony gardens. The largest room rents for $7 per month

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and a dinner of four courses costs 16 cents. The building has become a civic center for working girls of Paris. Women's clubs are formed for discussions, and there are classes in dressmaking and language study." [1]

The Young Men's Christian Association and the Young Women's Christian Association, and similar organizations of Catholics, Jews and others, have undertaken to provide a certain number of good boarding places accessible to factories and mercantile establishments where large numbers of homeless young people are employed. They are frequently encouraged and subsidized by managers of firms because of their excellent influence. The rent received for the rooms and privileges of the house not only pays expenses but supplies a revenue to the associations.

The "Eleanor clubs" of Chicago, established by the capital and enterprise of a thoughtful and generous woman, are self-supporting homes so economically managed as to afford board and rooms at a cost within the means of girls of meager income, close to the minimum. A clubroom downtown, with restrooms and restaurant, enables the girls to have a comfortable hour at noon without paying carfare. The genial life of these clubs makes them very attractive, and the fact that they are not dependent on outside subsidies recommends them to brave and honest young women who are fighting their own battle in a city far from their own homes. They do not ask nor would they receive help from their

[1] *American Review of Reviews*, xxxv, 579-580.

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employers; but business men could well afford to promote such efforts by lending the initial capital and by selecting skillful managers. After that, interference would ruin the whole movement.

The cityward drift of youth from the country is very strong and it bears on its current many an independent lad and girl, who, in the whirl of new and dazzling surroundings, away from the customary inhibitions of their former domestic life, may lose their footing. Their boarding and rooming houses are not always suitable places for the formation of character; although it is amazing how few relatively make shipwreck and how many hew their way through the rocky obstacles to success. Men who control property and require the services of an army of clerks and manual workers might well combine to supply wholesome dwellings for these young people, without those petty annoyances and humiliating conditions which exasperate generous and high-spirited young people who are trying to make their own way and measure their strength against wind and wave. The Eleanor clubs show how this can be done.

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CHAPTER VI

EDUCATION AND CULTURE

The human needs are not completely met by improvement of income, food and physical comfort. The working people have a right to all the heritage of our common civilization as far as each person is capable of assimilating its qualities. The richest man is the greatest debtor to past generations and most dependent on the toilers of the present for his food and raiment. All men have the same essential faculties, although in ability and advantages they are of all degrees of inequality. The Declaration of Independence says that all men are created free and equal, though the assertion has been ridiculed on the ground that men are not alike in strength and capacity. Probably the signers of the Declaration were quite as well aware of the peculiar differences in men, as their recent critics; but they were looking deeper than the aristocrats and worshipers of the Superman; they saw that all men are of one essence, of one blood, and need the same spiritual food. The progress of the people since they wrote this classic of democracy vindicates their prophecy. There is not a single form of higher values for which there is not heart-hunger in the

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homes of the wage-earners; and from cottages emerge scholars, inventors, artists, orators, rulers; and this source of talent and genius still awaits full exploitation by universal education and partial release from exhausting toil.[1] Welfare work must count with these higher aspirations of the rising democracy. The men who perform the most disagreeable, monotonous, depressing labor for society have the first claim on beauty, truth and liberty. Americans are said by foreign cities to be worshipers of the almighty dollar; but it was an American, the poet Lanier, who sang of the rights of toilers to music and joy in "The Symphony." No philosophers ever saw more clearly than our Emerson, Channing and Lincoln the divine possibilities of our common human nature and of daily toil. We must confess that we have many Philistines who care little for Matthew Arnold's "sweetness and light" for all, and who cynically mock at the Declaration of Independence, the Beatitudes of Jesus, and who never read Emerson's essay on "Compensation." If they read Lincoln's speeches it is to yawn or sneer. But their insolence is not American; it is atavistic snobbery or childish imitation of inferior foreign examples, and will grow ashamed of itself in time when it is discovered how little money can buy, how much fraternal coöperation can produce.

The facts recited in this chapter indicate the movement among the better class of capitalist managers

[1] *See* for expansion of this statement, L. F. Ward: Applied Sociology.

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toward sincere respect for the best elements in human life, while they also painfully show how tardy, slow and uncertain this movement is; the story awakens hope but calls for deeper insight, greater vigor, and more directed service.

Mr. Arthur Williams has recognized the claim of the toiler in saying that education "gives a man a chance with his fellow who has had the opportunity of spending more years out of industry and in an educational institution, the man who had a university education. His chances for becoming economically independent in life are four to one against the other man." The removal of obstacles to self-realization is an act of justice and a duty of patriotism.

VOCATIONAL EDUCATION

Many managers of industry and commerce find fault with the public schools for their failure to teach and train competent workmen in shops and clerical employees in offices. Defects in spelling, in drawing, in general intelligence and alertness are charged against the schools. On the basis of this discontent with the ordinary institutions of education, 200 corporations, employing over 500,000 persons and representing $2,500,000,000 capital,[1] and many employers of less note, have themselves entered the field of education. No doubt the experiment will ultimately show how to improve the curriculum and methods of the public schools, and a way of coöp-

[1] F. C. Henderschott in *New York Press,* Feb. 15, 1914.

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eration seems already to have been discovered in many places. All life activities may be given an educational value.

In the campaign for the introduction of industrial and commercial training the amazing success of Germany is frequently cited: its continuation, vocational and commercial schools are praised, studied and copied. But there is danger of our imitating a part of the German program while overlooking some of its higher elements, and of copying features not adapted to American conditions. The wonderful progress of Germany in industry and trade is not due primarily or chiefly to technical and professional training, but to fundamental scientific discipline in universities, to the general intelligence of the people, to the national campaign for physical culture continued through more than a century, to the application of artistic form in life and in industry, and to the effects of compulsory education on the population. The German people have not only many clerks and salesmen who are cunning with the tricks of the counting-room, but also men in large numbers who are in all fields specialists and masters of all that the world has learned in their particular lines.

So long as the majority of our American working people are restricted to the monotonous, narrow, and coarse processes of manufacture of crude products we shall be servile dependents on the nations like France and Italy who breed and develop artists and artisans everywhere. So long as our highest achieve-

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ments are in the production and export of grain, coal, ore, wool, cotton, rails and even locomotives, we must rank third or fourth among the progressive nations. A Philistine ideal of vocational education must in the end defeat itself. The specialist may be so trained as to be deformed.

The writer has inspected reform schools in Italy where the teachers were following American methods in manual training, but adding a fine and gracious finish to the articles made by the boys which made them genuinely artistic beyond what can be seen in similar schools in the United States.

"There are a thousand instances in which parents are at their wits' ends what to do with their boys when the school days end, and lads drift into blind-alley situations that give no scope for their bent or talent. The fate of others is even more deplorable, for they may shuffle through half a dozen different jobs as small wage-earners, and be discharged with no career at all. Some of our greatest industrial undertakings have been built up by the humblest, and with establishment of a system of choice of employment, and employers on the lookout for the most likely youths for introduction to their workshops and drawing offices, an increase of originality may be expected in production."

We Americans are just beginning to realize that beauty has a rapidly growing commercial value. We may export raw cotton, materials for paints and oil, and then import the same materials which gave us only a few cents, as a painting worth hundreds or

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thousands of dollars. The Japanese pottery manufacturers take a worthless lump of clay and so manipulate it that they can sell to us a beautiful dish or vase. It is art's magical touch which makes all the difference. It makes one ashamed to suggest this argument from the pecuniary selling price of good taste, but it is the only one the "practical" Philistine can understand, and we need his money for art classes; perhaps his children will discern that beautiful objects have a value quite independent of the price they bring in the market. By whatever route we travel we must soon come to admit that artistic education is an economic necessity; that in a progressive world crude products of coarse labor must wait outside for lucrative custom.

It was natural that employers of labor should begin with what they call "practical education," or training for trade skill. While the old apprenticeship system has become obsolete and has been abandoned, the world of the trades is looking for a substitute and making numerous experiments. Here again the patriarchal system is not altogether antiquated, though it must assume new forms. Education cannot be divorced from actual practice. The manual training school, independent of all shops, rendered a great service to general culture and gave a preliminary discipline in the use of tools and materials; but experience revealed a wide chasm between even the manual training school and the actual shop. Managers and teachers are now building a bridge over this chasm. There are four parties di-

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rectly interested: the family of the boy and girl, the employer, the trade union, and the public; in the best system all four unite in counsel and plan, and a reasonable compromise is reached by negotiation. This assumes that the right to collective bargaining exists, and that it should be guarded against indirect attacks from some other and conflicting interests.

If trades could be fully taught in schools no such combination of forces would be necessary; but the final touch of practice must be given in the place where the process is carried on regularly and for profit. Only in this relation is the lad's work tested as it must be when he is an independent workman and must stand or fall as he meets the requirements fixed by a competitive world. Another fact is that many boys cannot continue their education long enough to become proficient unless they receive at least some pay. The solution of the problem of technical education is approached from various directions.

The "continuation school" has been adapted to German industrial conditions for many years with highly satisfactory results. In this system a part of the day is devoted by the apprentice to the service of his employer; the other part is given to the public school where instruction is directed to improve workmanship. Thus the boy is kept longer under cultural influence, his earning power for life is enhanced, and he has less idle time for the formation of immoral habits. If provision is made for recreation and sociability this is a desirable discipline. The period

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for the "continuation school" is from the fourteenth to the eighteenth year, a time least valuable for earning income but most valuable for forming good habits and adding to knowledge.

In the best system attendance is obligatory during this whole period. Instruction is given in the evening or at certain hours of the day. If instruction is given in the evening care must be taken that the pupil is not too fatigued to profit by his instruction. The purpose of the school is in part to review what has been learned in the elementary school; because youth often forgets what childhood has been taught, unless the knowledge is kept alive by use. Talents are discovered. An artist may be developed by the teacher of drawing and decoration; and a way may be opened by a scholarship to attend classes in a school of painting or sculpture. Among the culture studies pursued are: the language of the country, with practice in talking, reading and writing; mathematics, according to the needs of the calling and the capacity of the apprentice; singing, and playing on some musical instrument, if there is talent; elementary political economy, civics, morals and manners, and law. The progress of the pupils is tested by examinations and inspection of the quality of work done, and is sometimes stimulated artificially by prizes and distinctions. A gift of a set of tools at the end of the first year to a proficient youth is a distinct encouragement and substantial help.

The thrift habit is cultivated by the present of a savings bank book, with a "nest egg" credited, and

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a requirement that part of the wages be set down every pay day, and this is deducted from what is due.

Physical culture is assured by athletic societies, and helpful direction of exercise in the gymnasium and games. This is an element which ought never to be neglected with growing adolescents.

The continuation school may be organized and supported by the corporation or by the town, with a subsidy from the corporation.

American conditions are in many respects unlike those in Germany, and our methods of vocational training must take account of these differences.

One difficulty in working the plan of coöperation between the school and the shop is to secure the proper facilities for practice. Only very large concerns can afford to set apart rooms, machinery and instructors for training apprentices. The firm which trains may not receive the benefit of the skilled service it has helped to develop.

Since the general public has a pecuniary interest and duty it would seem logical to distribute the burden of cost between local schools, employers and the commonwealth. And this principle is actually recognized, as at Beverley, Massachusetts.[1]

The Illinois State Federation of Labor cites with approval a passage from the writings of the distinguished educational philosopher, Professor John Dewey: "No question under discussion in education is so fraught with consequences for the future of democracy as the question of industrial education.

[1] United Shoe Machinery Co.

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Its right development will do more to make public education truly democratic than any other one agency now under consideration. Its wrong treatment will as surely accentuate all undemocratic tendencies in our present situation, by fostering and strengthening class divisions in school and out. It is better to suffer for a while longer from the ills of our present lack of system till the truly democratic lines of advance become apparent, than to separate industrial education sharply from general education, and thereby use it to mark off in the interests of employees a separate class of laborers."

On the basis of the principles thus stated the Federation declares: "We disapprove the setting-up of any separate state or distinct board of administration to have charge of vocational education. We believe that the vocational school courses should at all times be under the guidance and control of the school authorities having direction of general education, as the system best adapted to educate properly our children for their future activities as citizens, as workers, and as men and women capable of participating in all the benefits and enjoyments of a higher civilization."

Strong objections are urged against various European school systems on the ground that the tuition fees are a barrier to education when the income is small; that the social position of a child is practically fixed at the age of ten years; that only the children of rich people have a chance at higher education; that specialization in industry begins too early and

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tends to reduce the apprentice to a mere piece of animated machinery.

In the United States many schools have been maintained in great mercantile establishments employing hundreds and thousands of boys and girls who have been compelled to leave school to earn a living and whose education should be continued. Where a system of public continuation schools is already well established these shop schools would not be necessary, except for the technical training; but during the transition stage they may render a valuable service.

Where a brief school period is used by the employing firm to evade the compulsory school law requirements there is sometimes bad faith and poor instruction; a school is not likely to be an advantage under such conditions; the motive must be genuine, and the educational ideals must not be debased. The curriculum may be like that of a continuation school, with classes in reading, writing, arithmetic, English, spelling, stenography, commercial geography, law and business methods. To this systematic instruction in elementary subjects may be added measures of recreation and general culture: military exercises, band, bugle corps, glee clubs, orchestra, chorus singing, mandolin clubs, dramatic performances, concerts, vacation camps, boat excursions, library, reading-room, gymnasium, swimming pool.

It is affirmed by those who have tried the experiment that such schools improve the health, vigor and endurance of the young people, the methods of

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work, character, morality and outlook of the personnel. "Unintelligent and wasteful labor has lessened. The wisdom of coöperation and mutual helpfulness has been recognized. Knowledge of merchandise, its production, distribution, and uses has been increased. Principles of control, government and organization have developed."

Union of Employing Companies.—The National Metal Trades Association is an illustration of a significant tendency. This society has for its declared purpose "to secure and preserve equitable conditions in the workshops of members for the protection of both employer and employee," and "investigation and adjustment of questions arising between members and their employers." They have promoted the movement to improve industrial education by equipping a technical institute in one city; by securing scholarships for apprentice pupils in such schools; by coöperating with the school directors in management; by opening their shops for practice to students of the engineering department of the University of Cincinnati; by inducing the Y. M. C. A. in Cleveland to provide instruction to boys whom the society aided and gave opportunity to attend classes; by coöperating with the National Association for the Promotion of Industrial Education; by stimulating and aiding technical schools in several cities to instruct their apprentices. This union of efforts concentrates resources and at the same time diffuses the ideas of the foremost leaders and specialists. Profit-sharing and bonus schemes are carefully studied; safety appli-

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ances, shop hygiene and instruction of workmen in methods of preventing injuries, and compensation laws, have all been made the subject of discussion and action.[1]

The National Association of Manufacturers is a strong ally of the movements for continuation schools, a modern apprenticeship system, trade schools and compulsory education during adolescence, more effective truancy laws, training of teachers for industrial practice, shop and part-time schools and centers of vocational guidance.

The Association of Coöperative Schools aims to improve the instruction in schools for the employees of corporations. It has been asserted that already the movement has secured the coöperation of companies representing a capital of more than two billion dollars, and employing 230,000 persons.[2] The corporations have discovered that they cannot find mechanics, clerks and salesmen ready-made, and that all can be improved by education. They welcome the disposition of public high schools, colleges, technical schools and universities to coöperate with the business world; but they see that if they are to receive returns for their investments they must have some direct control of the methods employed.

The commercial bias is not seldom seen in the tendency to emphasize the purely technical training

[1] Robert Wuest: Article, *Annals of American Academy*, Nov., 1912, 76 ff.

[2] *The Dodge Idea*, July, 1913.

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required by the process of the particular establishment.

But it is interesting to notice in the curriculum of a salesmen's school such topics as the value of right thinking, courtesy, what to learn, hygiene, elements of psychology, policies and organizations of the company.

Advocates of "Scientific Management" seek to demonstrate the value of their methods in relation to that education which leads to advancement in the craft. The word "education" is used, apparently, as a synonym for vocational training, and sometimes connotes a rather narrow conception of education. This would do little harm if the other and larger elements were not ignored or kept in the distant background. The zealous advocates of the recently announced "science" of management owe it to the world to make clear that they use the word in a very limited meaning; and this they have not always been careful to do. This criticism does not touch the really valuable service rendered by the new and brilliant school which has, within its sphere, already accomplished marvelous results. It has made the world its debtor by applying the precise and exact methods of scientific minds to the shop, by providing textbooks and instruction cards which substitute measured and clear descriptions for guesswork, and by sending into the factories and mills teachers rather than bosses. They deserve all praise (and good pay) for transforming the work-place from a slave pen into a school, where self-respecting workers take

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part in the intellectual life and help to apply the principles of chemistry, physics and biology to the manufacture of desirable commodities. As one has said:[1] the workman "finds that the engineer in charge is wholly ready to talk and explain the work that is going on, glad to receive and use suggestions and wholly ready to recognize the practical value of the thought of men who have been working on a given type of work for years. He finds, moreover, that these engineers are proceeding on certain basic principles, that they are working to apply to industry the best that science has accomplished, and that they use the best modern scientific methods in discovering the unknown in industry. There, generally for the first time, the worker meets the open mind of science, which refers all questions primarily to collected, correlated and recorded fact instead of to any man's guess or theory." The entire procedure is educational in form and spirit. Clear instructions, illustrated by photographs, blue-prints, drawings, take the place of hasty and noisy commands of an untaught foreman, who is sometimes too vociferous to be understood. "The old foreman was a commander and a driver. The functional foreman of scientific management is a teacher and coöperator. The old foreman ordered. The new functional foreman teaches, clears the path, and shows the way. Many qualities are desirable in a functional foreman, but these things are absolutely essential: power

[1] Hollis Godfrey, Sc.D., Consulting Engineer, in *Annals American Academy*, Nov., 1912, 59 ff.

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to do and do well any task or lesson given to a worker; power to express to the worker the best way of doing a task; and willingness to coöperate with the worker in working out the accomplishment of a task."

Testing Vocational Ability in Actual Practice.—It has been found that the psychological tests of the laboratory, even in expert hands, are inadequate and must be supplemented by study of the home, the associations, the activities of the subject in all relations and situations. A precocious boy may fail in the handling of tools, while an apparently dull child may be mentally awakened when he turns from books and the passive conditions of a schoolroom to the occupations of garden or forge. Furthermore, success depends on many factors which cannot be measured with instruments of precision but are revealed in prolonged observation of conduct. Perseverance, fidelity, willingness to take orders, punctuality and honesty are not easily discovered. Staying power, the long breath of the distance runner, can be found out with certainty only at the end of months of trial; and the boy who is victor in a short run may be defeated in a race which requires prolonged exertion.

How Young Workers Change Tasks.—Miss Anne Herkner of the Maryland bureau of labor hit upon one essential weakness of the existing system of labor as applied to juveniles. She observed in her testimony before the federal industrial relations commission that 1,400 children had changed their

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positions in Maryland since January, of whom only 200 had found new places within a week. A great many, of course, found work again only after several weeks or several months. This is typical of the conditions in which untrained children of fourteen to eighteen years find themselves. Instability marks their every move. They are not contented long in any work. Their interest is not in it. They are moved chiefly by the possibility of getting a dollar or two a week more in some other job. Permanency has no place in their thoughts. They are following no definite plan or aim. Life becomes for them merely a hunt for jobs interspersed by an occasional period of work in some more or less uncongenial occupation. As Miss Herkner remarked, juvenile employment must be steady if children are not to lose their respect for work and if they are to acquire steadiness of character. The prospects for this shifting population of juvenile workers, then, are not bright. Evidently, lest their numbers be added to materially each year, a system of vocational education must be generally adopted. Only in this way is the interest of the young worker to be gained and his efforts turned in a definite, purposeful direction that promotes useful services and good citizenship.

One of the advantages of the best plans of trade training under broadminded instructors in shops is personal adaptation to the inevitable fluctuations in demand for specific kinds of labor, fluctuations which increase enormously the amount of involun-

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tary seasonal unemployment in the land. The point is clearly stated by Dr. Godfrey: "One of the greatest barriers to permanency of employment is the unevenness of work in different departments of a factory at different periods of the year, a condition especially evident in those factories dealing with a seasonal trade. One month departments A and B are rushed and the men in departments C and D are laid off. The next month the case is reversed and the men are laid off in departments A and B, while the work is rushed in departments C and D. The science of management by its studies of the relation of sales to types of product, by its increase of production and by its general advances in the conduct of industry, tends to do away with this condition, but it also works specifically against this state of affairs by offering education along the lines of work in departments C and D and vice versa, enabling them to gain such mastery of different parts of their trade as shall give them permanent employment in different departments and paying them higher wages for each educational advance."

If to this is added a bureau of registration of employees, so that numbers of the regular staff are first chosen for the vacant places when demand is greatest, the security of employment is greatly enhanced.

LIBERAL CULTURE

It is reasonable to expect that when the more directly technical training has been imparted and be-

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come a matter of routine, habit, and automatic cerebration, a demand will be felt for liberal culture in the sciences and humanities. Even if attention must be focused on efficiency and profits in the narrow sense, the springs of deeper human needs will assert themselves, and corporation managers will see it to their advantage to satisfy the hunger of the better nature. It is impossible to foretell, in advance of experience, what is "practical" and what will best promote "efficiency." One psychological fact ought to be clear by this time that a wooden puppet cannot do the work of a man who is alive to his finger-tips and whose entire mental and moral power is creatively asserted in all he does. The philosophy of the "One-Hoss Shay" is not obsolete: "the weakest spot must stand the strain"; and we must "make that spot as strong as the rest."

Instruction in Housekeeping.—The public schools do not always give training to girls in the art of home-making, and girls who have gone into factories to earn a living are not by that experience prepared for their duties as wives and mothers. The immediate pecuniary interest of the employers in giving this form of instruction is not very obvious at first sight; but thoughtful managers, in Europe and America, have discovered that there is a close connection between well-ordered homes and the efficiency of the men. Employed girls of sixteen will in two or three years be home-makers for the young men of the works. By taking a large view of the permanent and community interests they have been

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led to maintain housekeeping schools of various forms. In the better schools the instruction of the girls is given during working hours and without deductions from wages. Instruction is free. In other situations the classes are held in the evening. Among the subjects taught are: mending and crocheting, sewing, cutting garments, cooking, making beds. The care of infants and young children ought to be taught the older girls and a technique has already been worked out for this vital branch of instruction.

Boys' Gardens.—The art of gardening is interesting to many boys, but in cities they cannot provide land, tools and instruction. Manufacturers have no direct interest, as manufacturers, in providing and maintaining schools for communicating this art, but as citizens caring for the wholesome conditions about their works they are often willing to contribute for the purpose. The lads under a good leader are disciplined in promptness, industry, neatness, workmanship, courtesy, coöperation, and the material earnings may become a motive to perseverance. With the right kind of a teacher the industry becomes an introduction to the principles of the science of life. Not infrequently acquaintance with gardening opens a congenial and lucrative profession under the wholesome conditions of rural residence.

Perhaps, since manufacturers live literally in glass houses, they may find their reward in giving the boys something better to do than break windows, and destroy property. When each boy is allotted his own plot of ground and given the product he learns to

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respect private property; any latent communistic quitch in him is weeded out by the practice of gardening. If the boys are taught to form a stock company, "with limited liability," they elect their own directors and officers and thus are initiated into the mysteries of the great business. With the gardens may be connected shops for making window-boxes, repairing tools, etc. Useful occupation is even better than games to keep young people out of mischief, and turn them from hooliganism to good citizenship.

Landscape Gardening.—The cultivation of flowers, vines, shrubs, trees, and vegetables develops the esthetic capacities of human beings. Certain heads of industrial establishments have not only set a good example by beautifying the grounds of the workplace, but have stimulated and guided the efforts of neighbors and employees by giving out seeds and bulbs with directions for planting and care, and by offering prizes for those who succeed best.

Culture for Adults.—It is sometimes claimed that workmen want wages, not entertainments and culture; that they prefer to find their own ways of happiness. But there are numerous situations in which workmen cannot organize their own cultural opportunities and must live a starved mental life or be content with cheap and mean entertainments furnished on a mercenary basis. There are employers who recognize their responsibility as permanent and influential personages in the community, and who see that intellectual alertness and joyful disposition of

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the employees are assets. Under such conditions a reasonable provision for spiritual satisfactions may be not only a community duty but a paying investment. While the coming democracy is on the way the masters on the ground must do their duty. The patriarchal element of civilization which we have inherited through no fault of our own has not yet evaporated and as yet no complete substitute has been found.

Culture: An Illustration.—Van Marken in Holland began by building 100 picturesque cottages with small gardens attached, because otherwise no proper shelter was available near the works. Kindergartens and schools were needed and supplied, and the children were encouraged by prizes to do good work. The people needed a hall for assemblies and one accommodating 1200 persons was built. The cultivation of flowers, one of the most economical and satisfactory forms of esthetic enjoyment, was promoted by flower shows in summer. Band concerts were heard three times a week in winter. Dances, lectures, social gatherings, games, stereopticon lanterns and slides added to the gayety of the community and helped to keep alive friendship and neighborliness. In the gymnasium, which was thoroughly equipped, the young people were trained for the sports and contests which furnished delight in the village festivals, with exhibitions of skill in archery, bowls, skating and fencing. The playgrounds, adjoining the community house, furnished with swings, teeters, merry-go-rounds and sand piles made the

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children happy. Even in rainy weather they could play in the wholesome open air under a pavilion.

Art for Money's Sake.—The advantages of training young people for industrial life are thus outlined in the *British Trade Review:*

"In view of the foreign competition and the determination of capitalists abroad to extend their manufactures, it is of the utmost importance that British producers should do all they can to perfect their industries in every way, to be in a position to place the best and the most useful goods on the market. Experts in the cotton industry are realizing that special attention should be given to the highest branches of production, especially to the printing, dyeing and weaving of fancy fabrics, which command very extensive markets. It is recognized that if we are to keep our trade in these departments both manufacturers and workers must be qualified to send out from the mills and weaving sheds fabrics of the most original design, beautiful in texture and sterling in workmanship. The need for continual progress in output does not, of course, apply to the cotton industry alone. It is conspicuous daily in engineering and numerous other branches, and the question of training in these various trades has become paramount.

"It is, therefore, gratifying to note that manufacturers are beginning to take an interest in the young before they enter the works, and suggesting that the brightest and most intellectual should be sifted out from the army of school children, for industrial

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training. Many scholars show their inclination for particular work before they leave school, and also ambition to succeed in special occupations; and if they were given opportunity to get into the right groove, production and trade would undoubtedly benefit. The shop surroundings may be made beautiful. . . . The President of the Bethlehem steel works was jokingly asked by a visitor who was delighted with the gardens, whether they were making steel or raising flowers, and he answered: 'We are primarily engaged in making steel; but we make better steel and more of it by also raising flowers and having them in our yard.' The love for beautiful spaces adorned with color, once awakened, extends to the homes of the men. The production of commodities depends on energy and endurance; energy is supplied by digested food; digestion is promoted by attractive surroundings; therefore the planting of flowers is a factor in efficiency, even in the making of coarse wares."

It is easy to assert that wage-earners do not want such facilities supplied and will not use them; but the assertion is not in all circumstances true.

Reading-rooms.—Men to whom reading is a difficult art, with meager returns in satisfaction, must be helped to find pleasure in it; then they have discovered a gold-mine of happiness. The lower class of newspapers appeal to the tired, jaded, half-illiterate crowd, with strong sensations, grotesque pictures, stories of murders, divorce scandals, wrongs of the rich, pink paper and great staring black head-

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lines suggesting explosions and catastrophes. These journals have a pedagogic theory and a social purpose which they are ready to explain: men of few and primitive desires are intellectually asleep; nothing short of thunder, lightning and earthquake will rouse them; and so the sensational journal becomes "yellow"; its odor and taste remind us of cheese which is disgusting to refined organs but gives a sensation of being alive to the dull and sordid. There is just enough of sound psychology and pedagogy in this plea to make it plausible; of course the real motive is profit; it pays. If ever these weary and dull men are actually improved and enriched in the higher life, redeemed from mere animalism, sensational journalism will not lift them high nor carry them far.

The better principle is this: good literature, music, pictures must be brought near to the untaught workers, must be attractive and enticing to them, not merely to us. Books and magazines will appeal to a few; moving pictures are alluring to all of us.

We do not want histories of art works, dull commentaries in hard technical cant, but the works of imagination themselves presented to eye or ear by intelligent and living interpreters. In the great dramatists and novelists there are vast treasures of imaginative wealth which are concealed in forbidding books, and await the genial interpretation of readers whose pleasant voices, distinct articulation, play of mobile features and occasional gesture enable the common man to sit at the banquet prepared by ge-

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nius. We do not need costly singers and actors so much as many cultivated readers who really enjoy the works of genius.

A motto of the reading-rooms of the Santa Fé Railway is worth quoting: "Give a man a bath, a book and an entertainment that appeals to his mind, and you have enlarged, extended and advanced his life; and, as he becomes more faithful to himself, he is more valuable to the company." "It is not a charity concern, but a business proposition." Generally the reading-rooms of this corporation are at points where the men must wait long turns in idleness; in a few cities, "on the theory that, the better the people in any Santa Fé town, the safer was our property, and more business for the line would be developed. Garnishment for gambling debts is a thing of the past. One general superintendent reports that the reading-rooms constitute the best prohibitory system of temperance in the world, beating Kansas and Maine."

Settlements in the neighborhood of a great mill or factory frequently minister to the scientific and esthetic desires of the employees, and for a modest subsidy from managers furnish valuable services at low cost. But it is better to let them starve than to bribe the residents to be mummies, mere pets of the corporation and dull lackeys without sympathy with the aspirations of the wage-earners.

Neighborhood improvement associations, in which educated men and women unite in democratic fashion with the people, may justly claim support on the

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principles already accepted. In these cases it is not a question of philanthropy in any narrow and sinister sense, but of good citizenship and obligation to the whole community. Not seldom a wealthy corporation will accept the self-denying and unpaid service of persons of public spirit and be reluctant to give them the slightest recognition, or assistance, even grumbling at times under breath at their "socialism" or "anarchistic fads" and "academic theories." This makes bad blood.

Revival of University Extension, with Better Methods.—If business men desire to assist the more intelligent employees to gratify their intellectual ambitions in the fields of history, literature and science, their most natural alliance is with the universities. Here is a highly organized system of instruction, conducted by specialists, with the best professional standards, with which no other agencies can compete. These universities are either endowed or are conducted by the states. The present regular professors could rarely do personally much of the actual work of classes and lectures; their strength is already mortgaged to their special duties, and most of them have had no special preparation for popular instruction. They have, however, under this instruction a large number of graduate students, some of whom, with proper native gifts, could be selected and trained for this popular work of education. The lecture method alone is not satisfactory. In teaching natural science there must be small laboratory classes. Historical, literary and artistic subjects require the

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aid of lantern slides and other means of visualizing the subject. Music at the meetings should give zest and rest to the spirit.

The universities have very inadequate funds for this new and yet undeveloped department of "extension" and many of the schemes have broken down for this reason. By an alliance with benefit associations and generous employers, instruction and even recreation could be furnished at lowest cost and with highest standards. Gradually teachers would be selected who have the natural genius for this kind of educational service. A word of caution and warning is in place. The votaries of science are accustomed to pursue truth without regard to special interests, and to present all aspects in the spirit of the investigator. Such men are apt to say things which arouse the ire of those who are unwilling to have anything said with which they do not agree. They would not object to lectures interpreting Browning's "Ring and the Book," but they might explode if the principle of collective bargaining were explained with historical illustrations. We have known of teachers of social science being "fired" under these circumstances in a way not creditable to those who imagine that a money payment for salary or lecture fee means the purchase of a soul.

This caution should be heeded also by the teacher, whose function is not that of the advocate who holds a brief for a litigant and is hired to present only one side of the case, but he ought to reveal the

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whole situation as fully and fairly as he can do it and leave the judgment to the public.

The object of "university extension" is not professional learning, as preparation for law, medicine, or bridge-building; nor, on the other side, is it merely momentary entertainment; for these legitimate ends other means ought to be provided. The object of the university extension method is to make it possible for busy people in various callings to gain an educated man's view of the world, of life, of science, of history, of evolution, of art, of philosophy, and religion.

Naturally the number of clerks and workingmen at present who would care for this kind of culture at first will be small; but it would grow. Here is a case where supply calls forth demand. Thomas' Orchestra started with a small audience, but after a lifetime of faithful adherence to a lofty standard of noble music the great leader awakened a sense of appreciation of the best compositions in hundreds of thousands of people.

We must not give superficial instruction; it can be made fundamental and profound. Who can explain the popular and genuine interest in Darwinism and Marxism on the theory that workmen are stupid and narrow? One of the best masters of Herbert Spencer in the writer's acquaintance was a machinist, who also bought a telescope and pursued astronomical studies after he was seventy years of age. Back of the fragmentary and disconnected news items of the daily papers the workingmen need to have a

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general view of the evolution of human society, the principles of ethics and economics, the essentials of educational aims and methods.

If we are to have wise and upright local government, we must have at least cultivated leaders among the workmen in our shops and mines.

An alliance of welfare associations with the universities would be fruitful for good citizenship; the entire community would have the benefit; and the professors would profit most of all by the contact with the life of the people. The young teacher of economics who gets a chance to lecture on his subject before a trade union may have a surprise in store for him; he will find that whatever kind of coat or academic gown he wears he must be prepared to answer keen and generally caustic questions.

Indeed the discussion which a lecture provokes has more educational value than the learned "preliminary item."

The agricultural schools have shown that plain farmers can understand the principles of biology and apply them with intelligence. A similar work for mechanics carried out persistently by strong teachers with a popular gift of exposition would discover equal ability and appreciation among them. Sir Humphry Davy and Huxley were not ashamed to give popular lectures on science.

Dramatic Entertainment.—The life of any individual has a good deal of monotonous routine and repetition and therefore becomes stale. It is not

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surprising that many youths take to the changeful ways of the tramp, hard as his lot is when the winter pinches. Josiah Flynt's "Tramping with Tramps" discloses the attractions of the road, the green fields, the campfire, the constant change of scene, and even an occasional risk of danger and taste of hunger. Responsible family men, rooted to a place by the care of the household and the claims of children, sometimes feel this call of the wide, wide world and desire to travel. But travel costs money and time beyond the means of wage-earners, and so the craving for new scenes and experiences must be denied satisfaction.[1]

It is the merit of the drama that it enables a person to live imaginatively and sympathetically a thousand lives, one after the other. The genius of Shakespeare and many inferior artists have staged the careers of kings and poets, of fools and philosophers, of common folk and great personages, and the actors interpret these representations until we seem to enter into the lives of other men thus exhibited in action. The great popularity of the moving-picture shows is a revelation of this deep universal need of variety; but taste is not yet standardized, commercial interests dominate, and the educational values are low.

When a large body of employees live closely together and isolated from the city, the managers alone may be able to organize dramatic entertainments. In Osaka, Japan, the proprietors of a great

[1] *See* Prof. Natorp: Die Erziehung des Volkes, p. 8.

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textile mill have built a theater on their grounds and furnish plays which afford refined and ennobling recreation.[1]

Music.—The people are capable of enjoying good music. Masterpieces have utilized the songs of the common folk as foundations for noblest classic melodies and harmonies. The workmen in Wales, in English and German cities, have not only listened with appreciation to oratorios but they have interpreted them worthily in chorus singing. It is true that much popular music is debasing and that very complex compositions are wearisome to the multitude; but there is a rich collection of classic compositions which give repose without enervation, which inspire and unite, and raise the spirits of men to a finer world. A celebrated and competent critic, Professor Stumpf of Berlin, mentions here works of Bach, Händel, Haydn, Mozart, Beethoven, Schubert, Weber, Mendelssohn, Max Bruch, Schumann, Franz, Loewe, Brahms and even a few of Richard Wagner's pieces (Ride of the Valküries,

[1] Read Goethe's Conversations with Eckermann, cited by von Ebart in Die Erziehung des Volkes, p. 104:

"Stände ich noch an der Spitze der Theaterleitung, ich würde jetzt zum Besten der Kasse noch einen Schritt weiter gehen, und Ihr solltet erfahren, dass wir das nötige Geld nicht ansbliebe. Ich würde auch die Sonntage spielen lassen. Die grosse arbeitende Klasse die an den Wochentagen gewöhnlich bis spät in die Nacht beschäftigt ist, hat den Sonntag als einzigen Erholungstag, wo sie dann das edlere Vergnügen des Schauspiels dem Tanz und Bier in einer Dorfschenke sicher vorziehen würde."

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the Entrance of the Gods into Valhalla) as making an appeal to the workers.

Stumpf urges, as a practical measure, that the tickets to such concerts must be very low in price (8 to 10 cents), that the arrangements should be made by a committee of workmen and artists together, that the tickets should be offered and sold by the employees and not sold in public offices, so that the audience will be made up of genuine wage-earners, and not of parsimonious persons who want to buy fine music at low cost.

Experience has shown that workmen have the desire to cultivate their inborn capacity for esthetic enjoyment, and that they will welcome and appreciate honest efforts to smooth their way into the magic world of beauty. There is no essential difference in the capacity for impressions, and therefore the selection of examples of art must not be made on the theory that we are dealing with persons of inferior nature. The power to enjoy art is most surely awakened and cultivated by original works, as those of great painters and sculptors; copies and models are to be used with lectures only in a secondary way. The history of art is not attractive until the esthetic sense has first been quickened by contact with art works. A competent and enthusiastic teacher will induce habits of observation and direct the judgment; and for this purpose a few examples carefully studied are better than a great number. In the United States the subjects of pictures may well be chosen in such a way as to meet

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the needs of our mixed population. Parties may be formed to visit, under a capable guide, the municipal collections which are being formed in all cities of any pretension to progress and enterprise. Photographs and plastic casts may be used when originals are not available. Beautiful objects in nature should be studied—flowers, trees, clouds, landscapes, insects, birds; amateur photography may be encouraged, and drawing, especially painting in color.[1]

[1] *See* Dr. Lichtwart in Die Erziehung des Volkes.

John Ruskin's works have interpreted this world of beauty to the English-speaking peoples.

Valuable hints are given by Benjamin Ives Gilman, Sec. of the Museum of Fine Arts, Boston, Mass., in Report of the Commissioner of Education, 1913, 277 ff.

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CHAPTER VII

EXPERIMENTS IN INDUSTRIAL DEMOCRACY

During the nineteenth century, in Europe, America, and even in Asia, the wage-earning operatives have gradually won greater legal rights of security, protection and comfort. They have also gained recognition of their right to vote and hold office, until now it is quite certain that under constitutional governments each man's vote must count for one, without regard to title, rank or wealth. This right has been won with great difficulty, by persistent and sometimes fierce agitation, or even through revolution and bloodshed; but it is now embodied in constitutions and judicial decisions, beyond recall or revision. Antagonism lingers only in the form of senile grumbling of toothless privileged persons about the "good old days." The fundamental reason which has been decisive in this victory of popular suffrage has been that no class of men could be trusted to protect the interests of another class. This is the verdict of history. Benevolent despotism is still despotism, and is always subject to suspicion.

It was inevitable that this argument drawn from political experience should some day be used in re-

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gard to the relation of employer and employees; and it has been used with convincing effect and explains a great deal which would otherwise seem unreasonable in certain rules and actions of trade unions. Socialism has had a wonderful growth in all modern countries, and its fundamental demand is that the operatives should have something to say in regard to those matters which affect their health, their livelihood, and all their hopes of advance. Their plea has been successful with millions of voters, because anyone can see that the ballot opens a way to securing a voice in business affairs which the ordinary shop organization excludes.

The trade unions are concerned about labor contracts which raise wages, shorten hours and improve shop conditions; but this is not the deepest motive in their desire to promote collective bargaining; they want more than all else a voice in the direction of the business because it affects them in every way; and because they know or instinctively feel that self-government is the only just government.

This is not the place to repeat the familiar arguments for and against this tendency of modern working people, both men and women. It seems revolutionary to men who are not ready to introduce democracy into the industrial order because they do not understand the modern movement. The difficulties in the way of public management of industry and commerce are certainly very serious; and it would be difficult to imagine what would happen at present if great corporations or even small indus-

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tries were at once managed by committees representing the employees and the public as well as the owners of capital. The complete realization of the democratic aspiration in industry must wait on more general education, self-control, skill and ability than are at present visible. If the workingmen were now to select the managers of industry by vote they would elect the same men who are now directors, or they would ruin the industries. Selection by competition would in either case be necessary to place the management in the most competent hands.

But meantime this aspiration is a social fact to be counted with, and any fair-minded person must admit that it is not wholly unworthy and foolish; it is the natural result of progress. Indeed one will find that already many able capitalist managers have at least dimly recognized the inherent justice of the reasoning and taken pains to foster a better understanding. The acceptance of boards of conciliation and arbitration in different countries is one example of a tendency the logic and final issue of which will go further than anyone can now foresee. The social insurance committees, in which representatives of employers and operatives come together to discuss and decide questions of common interest, not only partly satisfy the democratic aspirations of working people but contain a prophetic element of great significance. They also serve to give wage-earners some experience in financial matters which prepares them for understanding the perplexing problems of the directors' room, the bank, and the boards of

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trade. The coöperative movement in Europe is still more helpful in training the multitudes in business principles.

This conclusion is occasionally recognized by leaders of commerce. Thus Mr. Frank Vanderlip, in an address to the New York Bankers' Association (1914), said:

"Legislation in accordance with sound economic principles, formulated with justice and sincere sympathy, is what we should all be striving for. I believe if business men will get themselves into a state of mind where they view conditions broadly, with an historical and social sense rather than only from their individual point of view, they will apprehend better the direction in which the whole current of political thought is flowing, and will feel less impatience with this legislative movement and vastly less pessimism concerning its results. It seems to me time that we recognized and caught step with this wider spirit, and then endeavor to direct the movements which it has set in motion rather than to obstruct its expression, which finds a form in new or proposed legislation."

Under universal suffrage there can be no doubt of the power of the wage-earners to secure control, or at least a voice in the management of business; they may decide some day to exercise this political power. The chief social problem is that of educational preparation for this perilous opportunity. All those methods of establishments which involve discussion of business matters are therefore part of

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this preparation on which the very existence of the nation may some day depend. The policy of silence, secret bribery, concealment and confusion cannot in the long run be the wisest and safest. Democracy wills to be taken into the confidence of those who manipulate the forces of industry and commerce.

Representation in Management.—Beginnings of experiments of admitting employees to voice and practice in management have already attracted attention.

An interesting type is the following:[1] In 1875 a "labor chamber" was organized, in which engineers, chief clerks and foremen formed a consultative body. The plan was modified in 1895 and became a "labor parliament" with three houses: (1) twelve members from the managers, engineers and chief clerks; (2) eight members from the foremen and clerks; (3) sixteen of lower rank. The first house meets quarterly, the second monthly, and the third semi-monthly. A united committee is formed, with four branches, for recreation, education, finance and furtherance of material interests. The branch on material interests attends to provision for foodstuffs and clothing of good quality and low price, through the village coöperative stores; acts as a council on the best use of thrift funds; explains the regulations to prevent accidents in the factory, and gives advice about hygiene and sanitation in homes. The recreative branch has subcommittees on musical edu-

[1] W. H. Tolman: Description of J. C. Van Marken, Agenta Park, Holland. *World's Work*, Mar., 1902.

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cation and concerts, choral society, gymnastics, skating and rowing, bicycling, stereopticon entertainments, lectures, dancing, home recreation, receptions, factory holidays, skittles, archery, billiards, Agenta Park and travel clubs. It is true that none of these elements involves the essential control of the capital invested or the direction of the technical and commercial sides of the business; but they are matters which closely touch the personal interests of the employees and the organization recognizes the dignity and self-respect of the workmen.

The building and loan associations of the United States, so far as they represent genuine organizations of wage-earners, are among the most significant business enterprises based on the coöperative principle. They have trained men to think in terms of large figures and long terms, to comprehend the phenomena of capital, interest and profit, to feel personally the value of mental labor in direction and management. Their very mistakes and losses have been instructive and helped men to see that the business man has not a bed of roses. Wherever successful managers of industry have stimulated and encouraged these associations, without too much of interference, they have promoted the education of the people for a share in government.

The Coöperative: The Rochdale Plan, and Its Value for Training in Citizenship.[1]—In connection with some large corporations "societies of consumers" have been formed for the purchase of supplies

[1] Fay: Co-operation at Home and Abroad.

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for the households. Some of the essential conditions of success are that sales shall be for cash and the losses of credit be eliminated; usually the consumer calls for the goods and carries them home, to cut out the cost of delivery; the prices paid are those of the market; the profits are divided among the purchasers in the ratio of the amount bought during the year; capital invested is paid only a low rate of interest. The educational and political value of the association lies in the experience it gives of the principles of business and the conditions of successful self-government. If ever the people are to be prepared for a larger direct control of business it will be in some such way as this, and not merely by listening to lectures of teachers and to the passionate and disjointed harangues of demagogues.

Education in Political Science.—True science is impersonal and impartial; it knows no partisan interest; it includes all the pertinent and significant facts. Already employers have established numerous schools on both sides of the Atlantic. Naturally, as we have already seen, the industrial efficiency motive has given character to those organizations, because that is the primary object for both partners in the process of production. But it is not enough.

More than once in recent years bankers and other business leaders have been alarmed by the prevalence of what they regarded as dangerous popular heresies in relation to money, banking, currency and tariff. They could readily see that it was a vital

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concern of business to turn the minds of the voters in the right direction. In other words, they were compelled to go back of legislators, congressmen, senators and even newspapers to appeal to the farmers, retail dealers and mechanics. And they found that these plain people could understand when a great statesman like Carl Schurz addressed them in the clear style of exposition of which he was master.

It is probably true that workingmen have given heed to falsehoods and have been deceived in regard to high tariffs and taxation schemes. But that is also true of men of highest educational advantages; it is one of the most insidious perils of popular government. Stuffing ballot boxes is a rude and clumsy device as compared with the cunning argument which persuades a wage-earner to vote for a scheme which will inevitably cut his loaf in half and compel him to wear a seedy overcoat two more winters.

Mistakes will happen; but they grow rarer with discussion. Running water will at last purify itself. Continue the give-and-take process long enough and the truth emerges out of the clouds, and the shrewdest deceivers are dragged into light and pilloried, stripped of masks. Lincoln's confidence in the good sense of an instructed people was justified by history. When Gladstone went wrong, the textile workers of English cities, though starving, saw and defended the truth, in regard to our cause in the Civil War.

The history of our economical and governmental

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institutions is a matter of fact, and popular knowledge of this history helps plain men to see how our modes of conduct have been shaped and what they mean. It is possible for a good teacher to help mechanics to understand all the phenomena of our industrial life, the reciprocal connections between the different industries and the specialized branches of each industry, and the function or service of each agent in the whole system. It is possible for a master of the science of administration to teach voters the essential principles of our federal and state constitutions, the fundamental rights of citizens and the methods of enforcing these rights.

If the present responsible masters of society sincerely wish to help men to realize their personal dignity and take their places as citizens, they may find in these fields the opportunity for a patriotic service. Of course this teaching must be scientific and not partisan; the teacher must be free to speak his mind and give his reasons; and the men in the classes must be free to express their own views in open discussion. Lecturing alone is not educating; and if workingmen learn of books and instructors they must have a chance to take the initiative in discussion. Otherwise they will either absent themselves or they will resist the effort to treat them as mere passive automatons to be moved from the outside.

Neighborhood Centers.—The modern city has destroyed real democracy and substituted the boss, partly because the government was too far away from the people, so distant that its inner workings

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could not be seen.[1] Industrial villages, even when founded by capitalists, may be made schools of practical training in politics in the best sense, the science and art of community action for the general welfare.

Industrial towns have been built at enormous cost and, surely in part at least, with unselfish intention; neat, tidy, attractive, hygienic, and with moderate rents; and yet have sometimes brought the builder dislike, hatred and revolt where he expected gratitude and contentment. There was one fatal mistake—it was a benevolent despotism, it did not recognize democracy, it ignored the spirit of the modern man, it assumed that wage-earners are still at heart serfs. It is better to have some dirt and disease, with community responsibility for the suffering, than sanitary houses governed by an absolute even if benevolent czar, and benevolent autocrats have been rare in history; absolutism hardens the conscience.

The public schoolhouse is becoming a social center of genuine democracy; the common meeting-place where all have the same rights; where recreation, rest, and learning have a natural home. Ignorant people can be taught to want clean houses, alleys, and underclothing, and they can be persuaded to change their habits; but it must be their own act or it is of no moral or practical value.

The neighborhood about a schoolhouse is a fine field for the practice of democratic self-government; and ought to be made far more significant than it

[1] *See* Kales: Unpopular Government.

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is. For practice in the privileges of citizenship propositions relating to local concerns might be submitted to votes of initiative and referendum, and the results sent up as memorials or petitions to the city council or administrative commission with the arguments used in discussion. Later on some direct weight might be given to such local declarations.

The difficulty with the present custom of trusting all to the elected ward councilman is that very frequently the real wishes of the people never get to the city hall in their purity; they are adulterated in the committees. An ordinary ward election is no adequate means of educating citizens; for the district is too large and the interests too diversified for direct discussion. There is no school of civic virtue. One can teach while the class is small; he must lecture if there is an audience; he must harangue if he has a mob.

In the school district a man of business may be a real power; an employer can exercise his influence if he will come to the meeting with a soft hat and not forget his good manners and his patriotism. The employer, or the representatives of a corporation, must learn to regard their mills in relation to the neighborhood, and the people of the neighborhood as citizens, not subjects. It is a bitter lesson for a proud spirit to learn, but it is wholesome and necessary. It cost a bloody war and countless treasures to realize Lincoln's prophetic utterance: a nation cannot endure half slave and half free. If he were among us now he would say a neighborhood cannot

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live in peace under a lord, an exile on the soil it occupies with homes. Property is safe and respected only as people own it, and authority is honored only when the people share it.

Already the people have the supreme power in the ballot and universal suffrage; it is a question of whether Demos can be educated in time to use his power wisely when he becomes fully conscious of it. Neither a man nor a people is fitted quickly for the responsibility of political control; nor is education a miracle: it is a process and a growth, and is acquired in the interaction of instruction and personal experience. This is what gives the neighborhood its national significance.

ORGANIZATION AND ADMINISTRATION OF BETTERMENT METHODS WITHIN AN ESTABLISHMENT OR IN A TRADE ON A VOLUNTARY BASIS

The fundamental principles of such organization taught by experience have already been discussed: recognition of the personal worth of the employees, and of their right to a hearing in all matters which deeply concern their happiness and well-being; freedom from all assertion of superiority and arbitrary domination on the part of the firm; open and sincere dealings without concealment of facts essential to a fair judgment; manifest purpose of the firm to be guided by a comprehensive recognition of all interests affected, even of the surrounding community

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of which the establishment and all its members are organic parts.

There is in some very large corporations an advisory board which is composed of superintendents of the various plants, which may be situated in different cities at a distance from each other; although all are dependent on one corporation.

The evils to be combated are:[1] continual irritation and frequent strikes on many pretexts, with loss of time, wages, profits, social product. In the sweated industries, without organization, or control, the conditions become chaotic; humane employers cannot raise wages because they are in close and sharp competition with others who are quick to take advantage of the necessities of the ignorant immigrants whose extreme poverty compels them to earn what they can.

The employees themselves, in such circumstances, are naturally suspicious, on the watch for causes of offense, reckless in fighting back blindly against anyone who represents "capital." Their animosity is made all the more bitter because they are sometimes under the influence of a class of Socialists who preach "class consciousness" and sometimes even violence. To the economic evils are added, especially in the "sweated" industries, unhygienic conditions, as crowding, bad ventilation, filth, danger from fire, improper sanitary arrangements, dangerous proxim-

[1] *See* Gertrude Barnum: "How Industrial Peace Has Been Brought About in the Clothing Trade." *Independent*, Oct. 3, 1912.

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ity and exposure of the sexes to contacts and temptation.

Experience has shown that in very difficult situations at least some improvements are made possible by wise organization, in which the following principles are observed:

1. The primary organization includes representatives of capitalist managers and the employees, on equal and honorable terms.

2. The unions of the employees are recognized, without wasting time over the disputed theory of "closed shop" versus "open shop," about which agreement seems at present impossible. The unions of the employees are recognized and respected, and their members have the preference when employees are taken on; hence the expression, "the preferential shop rule." Union hours and prices are accepted, and so the results of collective bargaining are assured.

3. The spirit and something of the form of judicial procedure are seen in the constitution of the lower and higher "courts," in which questions in dispute are carefully weighed, evidence adduced, and decisions reached by a rational process in which all parties interested may be heard in calmness and quiet.

The board on grievances meets at frequent and regular intervals, and goes over a formal calendar of cases as if in a civil court. If this court fails to agree, or there is a desire to appeal, a higher court, meeting only in exceptional cases on demand, is con-

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stituted to make final settlement. While these "courts" have no public authority to enforce their decisions, their judgment is usually accepted by all parties and open conflict is averted.

4. A joint board of sanitary control, composed of members representing employers, employees and the public, has been able to lay bare gross violations of laws and ordinances, vicious conditions affecting health, comfort and morality, and to correct these evils by influence or by appeal to legal authority.

Fire protection has been improved, after a frightful holocaust due to lawless neglect of plain legal requirements. Basement shops, ill lighted and ill ventilated, have been closed. Shops in rear rooms or on attic floors have been forbidden, without special permission, on a showing that they are not dangerous.

A standard of 400 cubic feet of space per person has been required and enforced. The rule has been established that the workroom must be thoroughly aired before and after work hours, and during lunch hours, by opening windows and doors. Floors of shops and of water-closets are scrubbed weekly, swept daily and kept clean and tidy all the time. A separate water-closet apartment must be provided for each sex, with solid partitions extending from floor to ceiling, and with separate vestibules and doors. Wash-basins, with sufficient supply of water, in convenient and well-lighted locations, are furnished in each shop. Lockers for hanging street

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clothing must be provided, and separate dressing-rooms wherever women are working. All seats must have backs.[1]

The plan adopted by the firm of Hart, Schaffner and Marx has worked so well in preventing friction that it may be used to illustrate a desirable tendency. The essential features of the arrangements are these: a kind of court was created by joint action of employers and employees, to hear all complaints and redress grievances. In case of disagreement a board of arbitration would hear appeals. No person was to be discharged for belonging to a trade union and in employment union members were preferred in branches where there was an effective organization. "Briefly expressed, it is simply the natural and healthy relation which usually exists between the small employer and his half-dozen workmen, artificially restored, as far as possible, in a large-scale business where the real employer is a considerable group of executives managing thousands of workers according to certain established principles and policies. . . . The successful result of these developments has depended much less upon the formal and external features than upon the spirit with which it has been worked out." Of Mr. Hillman, the leader of the workers, Mr. Schaffner said: "He developed a wonderful influence over all people who came in contact with him, on account of his high ideals, his

[1] For further details *see* article by H. Moskowitz, Ph.D., in *Annals of the American Academy*, Nov., 1912, 39 ff., and Bul. U. S. Bureau of Labor Statistics, No. 144, Mar. 19, 1914.

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patience under trying circumstances, his indomitable faith in the ultimate success of right methods." Mr. Schaffner himself said: "I believe that the officers of a corporation are trustees of the interests of all connected with the institution." But, fully aware of the necessity of full representation of conflicting interests, he added: "Decisions affecting the interests of any group should not be made until such interests have the opportunity to present their case. When there is any doubt as to the fairness of any decision or policy there should be a disinterested tribunal to review the decision."

Seeking for a Basic Principle of Agreement.—The evidence taken by the Federal Industrial Commission in 1914 revealed absolute and irreconcilable antagonism between the views of employers and leaders of organized labor. They could not agree either as to facts, standards of living, theory of wages, or measures of relief. Under such circumstances if men do not fight to the bitter end it is because they have not the power. If they come to agreement it is a truce in battle to bury the dead. Men who believe the doctrine that all the product of industry belongs of right to manual wage-earners and none to capitalist managers will struggle to get it all, just because they sincerely believe it belongs to them, and that capitalist managers are robbers; those who recognize the right of managers to wages of superintendence will grant a certain limited concession for salaries; those who recognize the justice of interest on capital will concede the current rate out of the

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product; but at "profits" they balk, and multitudes have been persuaded that "labor" only is the cause of the product and ought to own it all.

On the other hand, the statements of many employers showed that they sincerely believe the doctrine that when market wages have been paid, and the work has been done under decent conditions, and the expenses of taxes, insurance, etc., have been paid, all the remainder of the product belongs beyond question to the capitalist managers. They revealed their belief that any interference from trade unions or from the public authorities was contrary to justice, an impertinence and an evil; that they were to be trusted to do what was right and with no interference or coercion from any outside power.

Economic Wages.—One enlightened leader of a great corporation said, in discussing welfare methods of his corporation:

"Nor have we attempted to pass upon the question of wages, other than to express the belief that in the same locality they should be fully *equal to those paid* by any other employer engaged in similar work. Wages are a local and independent question." Here is no explanation of how the "other employers" calculate what they ought to pay. The competitive rate is implied, not expressed.

In another place a minimum limit is suggested—"in all instances being enough to insure good health and efficiency." Here is at least the beginning of an objective and scientific standard of wages; but beyond the immediate capitalistic interest in a large

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product from "efficiency" no hint is given that the workman has other needs to be satisfied if he is to be a worthy father, husband, citizen—human. It is this evasion of fundamental requirements of mankind which vitiates a good deal of the economic discussion of wages. Not to pass upon the question of wages in considering schemes of welfare work is to neglect the supreme economic question in which the wage-earner is interested; for his whole life depends on wages. If others neglect that problem he cannot and will not consent to regard it as a secondary issue. Hitherto even these public commissions for the settlement of disputes have had no well-defined and generally accepted economic or ethical principle upon which all agreed. A compromise is not a rational method; it is merely a temporary device for avoiding civil war and is a test of physical endurance.

It must be plain to well-informed persons that agreements satisfactory to all parties in interest must be based on some standard or principle accepted by all. The alternative is a continued war of interests, with occasional truces for the combatants to get their fighting breath and renew their energies for conflict; or, what is worse, resort to brute force and suppression of all discussion and agitation. This last condition is that of unorganized and ignorant laborers whose quiet submission is published abroad as proof that they are satisfied, contented and happy—frequently a very superficial and false judgment. The president of a corporation

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may know really very little of what is going on in the minds of the workmen in the shops or mines; he may be living over a volcano and not suspect it.

One basis of agreement is affirmed by some economists of distinction and accepted by many capitalist managers: the theory that competition, supply and demand, fix the rate of wages on a just level; a rate which is ethically justified because it is declared to be practically equivalent to the value of the products created by the individual wage-earner. It is sometimes asserted that this rate, being fixed by "economic laws," cannot be changed by collective bargaining, by legislation nor by humanitarian impulses; or, if this "natural rate" is modified by such arbitrary and artificial methods the settlement cannot last, or the increase must be paid by the consumers of the product. It is not generally conceded that any increase of wages can be taken from the profit element of the product, although the persistent effort of the capitalist managers to resist the rise of wages might indicate their real belief that the profits would be affected by all that was added to wages. To this interpretation is added the affirmation that if wage-earners would improve their methods and be more effective and industrious they would increase the product and so automatically secure higher wages. A practical deduction from this line of reasoning is that any attempt to raise wages by collective bargaining, legislation or any other conscious and concerted effort must fail.

The "sliding-scale" method of adjusting wages to

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the rise and fall of the commodity produced was based on some such theory; wages were to be fixed by considerations of the market.

The trade unions and their advocates have put forward a more or less vague theory of "a living-wage standard" as the starting-point for discussion of the rate of wages. Persons of this school of thought affirm that industry owes to workmen a support for themselves and their families, and a measure of support which will enable all to live a genuine human life; and that all calculations should start with this foundation. This theory requires an analysis, not only of market prices but also of family budgets; the assumption being that the community of consumers must pay all the cost involved in this estimate when they purchase the product.

From the standpoint of a particular union the standard will be that of the families of their own group. But this is a sectional and partisan standard. It does not meet ethical requirements. Only a minority of wage-earners are organized in unions. Those who are outside of unions have the same fundamental human rights as the members of such associations, without their protection.

Therefore if we start with a standard of living it must include all operatives; and, logically, this standard should be discovered by scientific investigation and enforced by the State and not left to the caprice and struggles of voluntary associations.

This conclusion is enforced by the consideration that many times where organized workmen secure

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favorable agreements with organized employers the public is victimized by being compelled to pay exorbitant rates for buildings, for plumbing and for other products of the industries included in the combination. This burden is felt in the "high cost of living," and often falls heavily on unorganized labor.

We shall never even begin to have an accurate, scientific and general standard without analysis of human needs, estimates of costs of commodities, and inspection of human beings to see whether they are actually well fed, clothed, housed, and educated; and this survey must include the unorganized and unskilled workers.

Pioneer beginnings have already been made toward the erection of such standards and their application in inspection. Examples are found in periodical medical examinations of workmen in shops, mills, factories, mines and on lines of transportation. Other illustrations are found in municipal building codes which fix and enforce standards of habitations; in the inspection of lodging houses; in the medical inspection of school children, and in the very system of free public schools from kindergarten to state university.

State public standards of living, although still vaguely defined, have a real influence on employers themselves who are gradually applying them in their dealings with operatives under their control. Evidences of this are found in all the chapters of this volume.

May not society have some interest in the dispute?

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If disorder arises from a feeling of injustice and oppression; if life, property, and order are imperiled; if the cost of destruction, waste, and unemployment must at last be shared by the whole people of the nation—should irreconcilable citizens be left to fight it out, or one party be whipped or starved into submission? Is it true that any group possessed of power can be trusted to use it without criticism or regulation? Is it not a humiliating position for the President of the United States to be obliged to beg the miners and operators of Colorado to keep the peace? Is that a dignified attitude for the federal authority to be obliged to take?

Mankind has a vast and prolonged experience which seems to some of us to point the way to a solution. From the dawn of time society has found it reasonable and necessary to make laws and set up courts to decide disputes of many kinds between interested private parties. In no civilized country have men been left to settle their wrongs in their own way. The most honest man will not ask another man to decide what is just when there is a difference of judgment. Even the simple community of early Christians provided for arbitrators to avoid going to law before pagan judges. For most disputes between individuals the law and the courts speak the final word.

If anything is clear from history it is that no class, no private association, no group can be trusted with absolute power; it is sure to be abused. The French Revolution, tragic and savage as it was, de-

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cided that kings, nobles and ecclesiastics must be brought under the sovereign control of the nation itself. The Declaration of Independence and our Constitution are classic declarations of the belief that, in the last analysis, no section of the people can arbitrarily rule another. The abolition of slavery brought the excluded race finally and forever under the shield of the national Constitution. The arrogance and unreason of men accustomed to unquestioned obedience are proverbial. This does not imply that "men are villains a'," but only that

> When self the wavering balance shakes,
> 'Tis rarely right adjusted.

It is the State and not the grocers' association which is trusted to test the scales used in retail markets.

The attitude of the most progressive and open-minded corporation managers is illustrated in an interview with a celebrated magnate. This gentleman declares that capitalistic leaders have advanced beyond their positions of twenty years ago, and he said: "As far as I am concerned it is largely traceable to Roosevelt. . . . I know him well. I have considered every suggestion for improving business conditions that he has ever made. I have tried to adopt many of them. . . . Whenever a newspaper or a magazine makes a fair and honest suggestion, I always adopt it; but we have made a great many changes without suggestions from the public at all." When one superintendent said his own labor policy

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was "Hit the first kicker over the head with the nearest shovel and throw him out!" this chief of a trust replied: "That will never be the policy of this corporation while I am its president. . . . We must make it certain that the men in our employ are treated as well as, if not a little better than, those who are working for people who deal and contract with unions." That is the dead point! This manager of fabulous concentration of wealth and power will not tolerate a strong and effective organization of employees; he will not wait for public action nor permit it if he can help; he will be divine providence to his subject. In the present state of trade unions and of politics we must admit that the practical man's suspicion of both is largely justified; but it would be to despair of the Republic, to believe that we must remain subject to oligarchies of self-selected rulers because we are unable to secure honest and competent government officials.

We have already noted the fact that there is antagonism between the contemporary "efficiency" movement and the trade unions; and this conflict deserves further consideration in this connection. It is evident that no devices of checks, stop-watch espionage and cost records will secure the highest degree of industry, skill and attention so long as the rank and file of the workmen believe that increased production will mean larger profits but smaller wages with greater strain. Increase of profits goes at once into the legal ownership of the masters and remains in their control. The workmen know many instances

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where harder and more faithful work has increased the product but not their share of it. There is no necessary and automatic connection between labor efforts and higher wages and shorter hours. The workmen have reasons drawn from experience to show that the mysterious "law of supply and demand" is a deity which has no particular interest in them; and that to depend on the generosity of the employer is not "business." Hence the intelligent workmen of all modern countries, with an unanimity explained only by universal experience, are looking either to collective bargaining or to the definition of rights which can be legally enforced in courts.

The psychologist, the engineer, and perhaps the economist as such, have nothing directly to do with the ethical question of the division of the product which is increased by efficiency. The technical specialist knows how he ought to build a bridge or how to pierce a tunnel, presupposing that the bridge or tunnel is desired. Whether these are desirable does not concern the technical scientist. The physician presupposes that the patient should be made well, and it is his professional task to adopt suitable means to this accepted end. So the psychologist assumes that goods should be manufactured at least cost and says to manufacturers, "If you want this end, then you must proceed in this way." [1] While this reasoning is sound it compels practical people as well as students of social ethics to go down deeper

[1] *See* Hugo Münsterberg: Psychology and Industrial Efficiency.

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to examine the very assumptions of the psychotechnical specialists. They assume that increased production by more efficient methods is desirable; but this is precisely what the average workingman either denies or regards with paralyzing skepticism; and until his hesitation is removed the professors of psychotechnics are trying to sail a ship without wind or steam.

An absolute despot may be conscientious and religious. He may sincerely believe that God has directly made him ruler by divine right, and that criticism of him is treason. While the divine right of kings has been cast to the rubbish heap of obsolete ideas, that of employers has been reasserted within a few years.

The modern spirit of popular government, vaguely designated "democracy," has a memory. It will have no star chambers, no secret procedure of trials, no *lettres de cachet,* no legislatures representing a single class.

What means the Interstate Commerce Commission but the declaration of the sovereignty of the nation over the powerful organization of railway corporations with their own interests to distort their moral vision? What is the significance of the federal and state inspection of banks and life-insurance companies, two vast systems of business where a narrow clique interest has led millions into waste, loss and misery? The regulation and control of all corporations by supreme authority through recent legislation indicate the direction we are traveling, and

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history demonstrates the necessity of public protection of public welfare.

The healthy part of the nation is sick of the horrors of the inhuman strife in coal mines, the sabotage of murderous unions, the neglect of life-saving legislation by operators. "A plague on both your houses!" The next step will be the development, slowly and cautiously, of a tribunal to decide disputes between employers and workmen: a tribunal representing a nation and not a clique or a class; a tribunal which will lay bare the whole case, in all its aspects; a tribunal before which may appear the humblest laborer, discharged unjustly by a brutal foreman, and have his case heard with impartiality and without cost; and by means of which urban communities may be saved from submission to striking employees of gas works, water works, street railways and electric-light plants.

Knowing the history of human weakness, and of frailty of judgment when selfish interests are at stake, honest men ought not to desire arbitrary power, and they ought actively to seek to be relieved of a responsibility which they cannot discharge and which makes them perpetual objects of suspicion and hatred.

The Erdmann Act, the Newlands Act, and related legislation are but the crude and experimental form of an institution which is capable of being perfected by the coöperative efforts of all who value peace with justice, order with humanity, and fair dealing with fraternity, above all absolute power

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over the lives and fortunes of competitors and antagonists.

The Newlands Act (July 15, 1913), which succeeded the Erdmann Act, provides for the representation of corporations and their employees in a national Board of Mediation and Conciliation. This board is independent of other governmental departments and is responsible directly to the President of the United States. It has legal authority to tender its good offices, whether asked to do so or not by one or the other party to a controversy. The arbitration board consists of six members unless, in a specific case, the parties concerned agree upon them. The limits of time within which a decision must be reached are fixed, and the exact question to be arbitrated must be defined in advance. Witnesses are heard under oath and the board has large powers for securing the information it may need.

Attitude of the American Federation of Labor Toward Arbitration.—Mr. Gompers says: "There are even some workmen who with us seek to avoid the stress and strain of a strike, who are loud to advocate statutory compulsory investigation, state mediation, and arbitration, and the pronunciamento of an award, with a supposed voluntary acceptance of such an award. They do not know that wherever these systems have been introduced they have led either to compulsory arbitration with compulsory award, compulsory obedience to the terms of the award, or else have resulted in a reaction demanding the repeal of the so-called state compulsory investigation and

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voluntary state mediation and award. . . . The American labor movement aims to avoid the stress and strain of strikes, but we are not led by glittering generalities or vain hopes. . . . The toilers, realizing that their constant material improvement is necessary for the welfare and progress of the human race, will protest or strike, *law or no law,* in the effort to accomplish their justifiable purpose. Any attempt by law to curb the right of the workers to sever their relations with their employers, to strike, will be resented, as it should be resented. . . . We want peace in industry, but we want peace with honor, progress and freedom. So-called peace, purchased at the price which would shackle the minds and the actions of the workers, is no real peace at all; it is the beginning of slavery." [1] Surely this declaration cannot be the final word, however much provocation there may be to utter it. Law is not yet the exact and complete expression of the common welfare, but it ought to be and can be made a far more perfect agency of the universal good than the decisions of some limited voluntary organization. The trade unions have never yet, in any responsible way, announced their purpose to be anarchistic and disloyal. Any scheme of arbitration which leaves the wage-earners without defense must of course fall to the ground; and any law which interferes with the mobility of labor, the freedom of contract or the right of collective bargaining and striking can-

[1] Proceedings of American Federation of Labor, Dec., 1913, p. 30.

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not endure criticism. We must, therefore, confidently hope that reason and a profound respect for the common welfare will bring employers and unions upon a common platform of justice and fair dealing; and the most enlightened representatives of both parties can promote all measures which help to formulate justice defined as the requirement of national well-being. In no country has private voluntary organization alone ever been able to protect children, women and the unskilled against exploitation, to establish a universal and equitable system of accident, sickness, invalid and old-age insurance, to provide a system of occupational hygiene, to maintain standards of control over public utility corporations for the protection of stockholders, wage-earners and all consumers. Collective bargaining has a wide and honorable field, a necessary social function, but it ought never to be regarded as a substitute for good government.

Nothing more radical in principle has been presented in this discussion than the statement of Mr. John D. Rockefeller, Jr., before the United States Commission on Industrial Relations, January 25, 1915. It is revolutionary in tendency as it is frank and courageous in spirit:

"In conclusion, Mr. Chairman," said Mr. Rockefeller, "quite apart from any particular situation may I express in utter frankness the view which as an individual and a citizen I hold toward the problems into which your commission has been appointed to inquire?

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"I believe that the ultimate object of all activities in a republic should be the development of the manhood of its citizens; that such manhood can be developed to the fullest degree only under conditions of freedom for the individual and that industrial enterprises can and should be conducted in accordance with these principles. I believe that a corporation should be deemed to consist of its stockholders, directors, officers and employees; that the real interests of all are one, and that neither labor nor capital can permanently prosper unless the just rights of both are conserved. If, with the responsibilities I have and the opportunities given me I am able to contribute toward promoting the well-being of my fellow-men, through the lessening of injustice and the alleviation of human sufferings, I shall feel that it has been possible to realize the highest purpose of my life."

The world moves and moves upward. The implications of free and representative government have been discovered and restated in economic administration. When rulers of society take democracy into their confidence they do not abdicate a throne; rather they ascend to the dignity, security and honor of men of faith in humanity and in the divine order of the world.

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CHAPTER VIII

ADMINISTRATION OF WELFARE WORK AND THE SOCIAL SECRETARY

With the increasing magnitude and complexity of modern industry and business it is necessary to assign special tasks to trained persons who have definite duties. The capitalist manager whose interests have become widely extended and too varied for his personal attention, finds it imperative to employ someone to carry out his ideas in relation to his welfare work of all kinds. It is this situation which has created the office and profession of "social secretary." The requests for assistance are so numerous as to require not only constant clerical help, but the consideration of an educated representative capable of using discrimination and judgment.[1]

1. *Functions of Social Secretaries.*—In a general survey we may deal with four fields of activity, the duties of which may be so different and complex as to require in each of them a special agent or agents with qualifications and education for the particular

[1] W. H. Allen: Modern Philanthropy—which is full of illustrations of the bewildering calls upon the sympathy of a person of wealth who is known to give liberally.

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tasks: (1) the shop, (2) the office, (3) the outside life of employees, (4) the general charities of the employer. In smaller establishments one person may be able to meet demands in all these departments, but in the great mills and factories several persons may be necessary, each with special qualifications and training.

The questions of coördination of welfare agents, of the division of labor between them, of testing their activities by results, of their responsibility to the authorities of the corporation, are important and must be decided by the managers according to the needs of each particular establishment.

In general, the "welfare secretaries" have influence rather than authority, and influence is more vital than power.

2. *The Social Secretary in Relation with the Principal.*—This relation is delicate on both sides. Even persons who have known each other for years and have rubbed elbows in congenial civic and philanthropic work, on occasions, find obstacles in the way of psychical adjustment to the closer, continuous association. The trend naturally is toward confidence and intimacy. Such conditions are impossible for prescription or delimitation in a contract or even in a verbal agreement. The elusive factors of congeniality, temperament, and tact are discoverable only by association, particularly in the stress of business.

The principal, when the increasing volume of his civic, philanthropic and welfare work requires a

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division of labor to perform it with reasonable dispatch, may find difficult the surrender to another of a part of the field where he has been dominant down to the details. He may have a wholly natural distrust of the judgment and decision of another person, a salaried employee, in matters where one likes to act on his own opinion and where his money is at stake. There is an old saying that it is easy to spend someone else's money. Men of large means know, from observation, that this is true.

The social secretary who has the initiative and feels himself competent to take the bit in his teeth and manage his principal's social business is apt to chafe under the restraint of the new relation, at least in its initial, or probationary, stages. But he must remember that spurs are not won in a day; and that honest, capable work is sure to be rewarded by greater trust and authority and larger return in money.

Of course, in the analysis of this relation, it becomes apparent that there can be only one deciding mind as the various issues arise—the mind of the principal. This is as it should be. However, in modern business life, with its many specialized departments, the executive has learned the value of counsel. In this capacity the social secretary, having the confidence of his principal, finds an attractive field of activity aside from the zest of investigation, analysis and decision. He can influence the finding and the action of his employer to such degree as his

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information is precise and his judgment and recommendations are sound and timely.

The variety of subjects encountered by the social secretary, especially one who aids the principal in his personal work, is so great and the details in each are so complex and confusing that few, if any, men can be found who encompass within their own capacity a masterful knowledge of all. The experienced principal does not expect this. But one who attempts the work, to be successful with his superior, must have a ready wit for knowing where to lay his hands upon the information he lacks. For this reason newspaper men, trained in resourcefulness in "getting things" that are elusive, often make efficient social secretaries, especially in the field of the personal philanthropies of a man of large means. Furthermore, newspaper men, who have gathered items about pretty much the whole realm of human experience and told them in glib detail to the public, are particularly adept in knowing what matters are best handled in silence. Silence regarding personal affairs is a necessity for a successful relation between a social secretary and his chief.

3. *The Personal Relation Mediated Between Employer and Employee by the Social Secretary.*— In former times the master mechanic was personally acquainted with his hired men; he worked with them and conversed with them; disputes could be argued out, and the materials for a judgment were all at hand. But the great industry has alienated the owners from the operatives. The stockholders

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and bondholders of a railway or steel mill are scattered over the globe. Even the directors and managers live in a different social world afar from the workmen. They do not understand each other; the conflict between profit and wages is perpetual; each party is watchful to protect its own interest. The immediate superintendents and foremen are only too frequently petty tyrants, fond of exercising their authority and eager to show returns to the officials above them. Griefs fester in hidden places, and the heart grows revengeful over a million annoyances, each one no more in itself than the sting of a gnat. The "welfare agent" has here an opportunity, on condition that he has the full confidence of all concerned. He may go about observing the points at which pain enters, where resentment is aroused, where personal honor is touched, where needless strain is imposed, where harshness in word or gesture is manifest but cannot be met with revolt. He may brood over methods of removing the cause of irritation and discuss this with the representatives of administration until a remedy is found. The moral bond is restored; the severed nerve of communication is joined and healed; there is a better understanding, and the spirit of concord is once more felt.

It is often asserted that there is no *philanthropy* in *welfare work*. As one writer affirms of the "welfare secretary": "Yet not in any sense is he an instrument of philanthropy. His duty is to nourish contentment simply because contentment means

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efficiency, and efficiency spells bigger dividends for the powers that be." Many similar statements could be quoted. They rest on error. Since what era has it become reasonable to be ashamed of kindness to human beings? Who has dissected the motives of employers and found nothing but a leather pocket for profits where a heart ought to be? Who has proved that wage-earners are incapable of friendship with employers? Admitting that a business must be made profitable in order that it may continue, who has a right to affirm that profit-making adequately explains business conduct? The "economic man" is an impossible abstraction, and never did exist.[1] It is a poor psychology which evokes the ghost of a man who cares for nothing but gain.

This cant is not only false but dangerous and debasing. It cannot remain popular without doing mischief. To boast of carrying on business without regard for the human operatives is shameless cynicism, and ought to exclude the boaster from decent society. Philanthropy is our common heritage from the moral achievements of our spiritual ancestors and it enters into all activities. Selfish disregard of others does exist, but it should be hidden in shame and confessed with penitence only in the ear of Him who forgives the penitent; it is not to be flaunted as a virtue. Dickens described Mr. Gradgrind, but only as an extreme caricature of a detestable type. Have we come to a time when Mr. Gradgrind is to

[1] E. T. Devine: paper, National Conference of Charities and Correction (Memphis, 1914), p. 75.

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be idolized? Then national ruin is not far away and business is a monster.

> If Business is battle, name it so;
> War crimes less will shame it so;
> And widows less will blame it so.
>
> Lanier—*The Symphony.*

The welfare secretary is a personal witness that men of business are first of all men. A highly educated and public-spirited employer voiced the dominant purpose of the better class of the group: "I believe the officers are trustees of the interests of all connected with the institution." On this saying labor papers have generously remarked that a "new era in the relationship between capital and labor is at hand, an era in which the human factor in industry will be taken more and more into consideration."

The fundamental social function of business is not personal profit but service to the people; when that purpose ceases to control we have brigandage but not legitimate business.

4. *Natural Qualifications of a Welfare or Social Secretary.*—Manifestly the representative of the firm must have sufficient physical health and energy to stand up under the work required in the particular position, which may be more or less exacting and trying. Vigor and good-feeling are very generally dependent upon good digestion; one who is too conscious of having nerves may become irritable and communicate bad temper.

The secretary of human relations must, as a mat-

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ter of course, have tact and common sense. It may be difficult to find in the dictionaries and psychologies a very exact definition of tact, but any capable manager will soon discover its absence. The moral blunderbuss plays havoc in a position where conciliation is of the essence of the function.

5. *The Educational Preparation of a Social Secretary for an Industrial Establishment.*—If the requirements are limited to a few simple activities of a routine nature, a bright high-school girl, with some experience in life, may give satisfaction. We have in mind in this discussion an altogether different position, one of responsibility, with scope for invention and initiative.

The following paragraphs indicate the actual paths by which the work of social secretary for women employees has been approached and entered:

Mrs. W. taught for a number of years in a business college; was employed by a mercantile house which gave her some insight into welfare work; worked six months in the adjusting department of another retail house in order to become acquainted with the system of the store. This lady considers teaching excellent preparation for welfare work, but the teacher must not be of the narrow type.

Mrs. V. was a graduate of a state university; taught seven years; has done newspaper work; has had much social experience. She says that persons who undertake to do welfare work must *know people.* She has had no selling experience, but knows

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merchandise. She is the wife of a railway purchasing agent.

Miss R. had a general college course; one year in Y. W. C. A. Training School, New York City; has had much experience with girls' clubs. She considers a general college course better than a specialized one as it makes one more resourceful; does not consider knowledge of factory processes helpful; has no manual dexterity, but thinks all the processes could be learned in a few months.

Mrs. K. had a general education but is not a college graduate; took one year's work at Chicago School of Civics and Philanthropy; kept house for twenty years, which she considers helpful experience; was active in club work and interested in civic questions; is a widow, mother of three boys.

Miss Z. is a trained nurse, with two years' hospital experience and two years in private homes; was employed by the Tuberculosis Institute for one year and a half; has had some training in a normal school; taken a course of lectures at the School of Civics and Philanthropy; and taught in primary grades for three years.

Miss M. is a college graduate; specialized in economics and sociology; from 1908-1909 acted as special agent of the U. S. Bureau of Labor, investigating living and working conditions of women adrift; in 1910 was visitor and assistant superintendent in an urban C. O. S. organization; from 1911-1913 was director of charities in a small city. She recommends the following preparation: general college course, in-

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cluding studies of sociology, general and industrial; courses in hygiene and sanitation; commercial geography; a course in trade unions, with supervised visits to industrial establishments; and actual experience as worker in industrial establishments in order to know just what are the conditions against which working girls must contend, especially where they work under a foreman. Three months of such work is sufficient, but in a number of establishments, so as to have a variety of experience.

Miss D. taught a number of years, rural, grade, and high school; paid her way through normal school and nearly through a state university; had nearly completed enough for a degree when she was offered her present position with a great house. She had a course in sociology at the normal school and one in the state university, but had no work in economics. She acted as adviser to students in a city high school; did some work in placing people in teaching positions; assisted with charities in a city one summer, sending children to the country for fresh air; has done much Y. W. C. A. work; thinks a course in a school of civics and philanthropy would be helpful. She did not prepare specifically for welfare work.

Mrs. W. had no specific preparation for welfare work, but was familiar with parish work. She began by publishing the paper of the company and gradually took up welfare work. She says visiting nurses are selected because of ability to get into touch with people.

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Many concerns emphasize the health movement in their welfare work; and for this reason prefer women with training in nursing or medicine. In fact, this department frequently is not called the welfare department, but the health department. A few months ago the Western Electric Company decided to establish a welfare department but put a welfare nurse in charge. There seems to be considerable divergence of opinion as to whether actual experience in the industry where the welfare work is to be done is necessary. One line of experience stands out conspicuously in many cases, and that is teaching. It is highly probable that at the time when many of these women were beginning their life work, teaching was the only remunerative work open. This is particularly true if they were not living in large cities. All welfare workers agree that experience in getting into touch with people is absolutely necessary and teaching offers an avenue for securing such experience.

In addition to good health, good sense, good taste, good manners, good character, a secretary of the higher order should begin with at least the knowledge and mental training indicated by a bachelor's degree of a recognized college. The course of study should be carefully planned for the four years, and should include at least a study of English language, literature and history; history of modern Europe; chemistry, physics, biology, personal and public hygiene, history of industrial development and its consequences; elementary psychology, economics, poli-

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tics and sociology, with a sketch of social politics (factory legislation, social insurance, etc.). A mastery of at least German and French should be added, since in our cosmopolitan population a secretary is at an advantage who knows how to acquire a modern language. Italian may take the place of French; in some localities in the South, Spanish is desirable. Some graduate schools of universities now are prepared to offer advanced and special courses in the natural and social sciences; and social secretaries find it to their interest, even after some experience, to return to the university for special kinds of information which they need. The most speedy and economical method of acquiring knowledge is the systematic study, under competent teachers, of the fundamental sciences. The self-taught generally betray defects in accuracy, thoroughness and vision, and they do not know when and how to rapidly acquire information and weigh the value of authorities and sources.

In close connection with this academic instruction in science, the candidate for social work, during the time of study, should be able to explore industrial and commercial establishments where large numbers of employees are gathered, and thus be able to see the actual conditions under which human beings live and labor.

But this exploration is not enough; there must be apprenticeship under the direction and guidance of secretaries who have already gained success. It is not difficult during vacations to enter into such a relation with the consent of the firm, if the apprentice

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is well recommended and is willing to assist in the humblest details of the office. Such relations should be arranged by the college or university which becomes responsible for the recommendation, and which assures itself that the apprentice service shall not be exploitation but have educational value. For this purpose the institution of education must employ a director of exploration and of apprentice training, one who is able to guarantee sound methods on both sides, for both the employers and the apprentices must be protected. No student should be sent to an office until there is assurance of serious purpose, adequate preparation, and probable fitness for the particular position. Employers will soon decline to accept apprentices from an institution which fails at this point, and whose selections are found to be unreliable.

Health Conditions: Direction.—All that relates to *safety* must be planned by experts and carried out by persons competent to form judgments, as committees of foremen and workmen. These devices have already been discussed. The relation of the social secretary to such matters will depend upon personal fitness and the needs of the situation. The specific arrangements for avoiding accidental injuries from machinery and process must be determined by qualified mechanical engineers; and thousands of such devices are already familiar in museums and in the literature of the subject. The secretary may be useful in inducing the employers to provide proper devices and in inducing the workers to use them.

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In the shops which have been "Taylorized," the best modern devices for economy of human energy are carefully installed as essential factors in the scheme of efficiency. Only specialists can do this.

The medical problems of protecting health against poisons, defective ventilation, and other hurtful conditions must be solved by expert physicians who have given study to these affairs. After the system has been established by authority of the employers, an intelligent and tactful secretary will often be helpful in securing sympathetic coöperation of the people in the shop. But constant and vigilant control by medical men must be an essential part of the system. No welfare secretary who has not medical education can go very far in this field.

When a great firm is about to introduce a sickness and accident benefit fund it should have the counsel and direction of an actuary. The establishment and administration of an insurance fund to provide for prolonged invalidism, old-age pensions and benefits for survivors of employees require still higher legal and actuarial talent, because none but specialists can decide what are the conditions of a solvent fund. Neglect of this precaution has already shipwrecked many schemes which raised great hopes only to create bitter reproaches and disappointment when the inevitable crash came.

It is evident that there can be no such profession as that of a "social engineer" or "welfare secretary" in any general sense. The employers must determine for themselves, upon the best available advice,

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what they wish to do, and then they must employ some one qualified person or several persons to attend to the details. There is no one "science" or "art" which can be mastered in preparation for all kinds of welfare work. Quackery has already brought the whole matter under suspicion; and confidence can be maintained only by competent leadership. People who are thoroughly educated will not undertake tasks for which they are not trained.

Women Secretaries.—Common sense demands that the welfare secretary in departments where many women and girls are employed should be a woman. Such employees will suffer incredibly from hardships and annoyances before they will carry their grievances to members of the administration. Investigations in mercantile houses have occasionally revealed abuses and moral perils which shock the community when published. An intelligent woman, especially a widow who has brought up daughters, is an angel of light where troops of inexperienced girls are brought together in a telephone office, textile mill, or mercantile establishment. There are the rest-rooms which at particular times are so necessary and yet are so liable to misuse if they are not carefully supervised. A skillful housekeeper is required to keep the kitchen and lunch-room under her eye. The magazines, newspapers, books and pictures which are provided for leisure moments may be anything but a blessing if they are not selected by a high-minded and educated woman.

Then there are the matters relating to dress and

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good taste in manners which are at once so difficult to handle and so vital to the usefulness, character and happiness of the girls. It is in such situations as these, of infinite complexity and delicacy, that we see how the personal and human factor must come in to supplement the relatively rough and clumsy provisions of law and of male management. Standard devices for avoiding accidents and occupational diseases may be introduced over the commonwealth by statute; compensation, insurance and pensions may be made obligatory by law; a minimum wage, a maximum day of labor may be required by public authority; but the personal influence of a cultivated lady in a shop full of wild girls, eager for pleasure and unmindful of the danger, cannot be secured by the legislature. The field of philanthropy may seem to be narrow, but it is precious. No device of authority can make a wooden conscience do the work of spiritual ideals. But just because this voluntary method is so delicate is the element of personality so vital.

A woman who attempts to give lessons in personal hygiene to girls must be thoroughly prepared for her task, so full of pitfalls. It is doubtful whether it is wise, even for a well-educated woman, to attempt to give instruction on this subject unless she is a physician or trained nurse. A welfare secretary should at least have her instructions written out and submitted for criticism to a physician before she asks her pupils to accept them as laws of life.

An illustration of devices may be drawn from life.

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In one week a social secretary collected small sums from the women to be deposited in the savings bank; prevented a young woman from leaving the factory by explaining to her the meaning of a medical order which lost its offensiveness when clearly interpreted to her; gave lessons in hygiene; settled a quarrel between two of the employees; advised a sick girl to use milk instead of meat and persuaded another to give up her tight corset; gave a list of books to some who inquired about reading; taught a class in sewing; helped to secure railway tickets for a girl so that she could go home each night; aided several employees to go to a hospital or to a convalescent home.

"In a distinctly fashionable shop in Boston the 'store shoppers' who, unknown to the employers, make purchases and report on the treatment received, commented on the barbarous English used by many of the girls, a thing naturally distasteful to a fashionable class of customers. This is an example of the small problems of the social secretary. She was expected to bring reform, an obviously fearsome thing to attempt with superstitious salesladies. In this store the department heads occasionally give short talks on business subjects to the employees. Thus, without arousing resentment, it was possible to bring in a humorous lecturer to launch the grammar crusade. He gave a witty character monologue on 'The Funny Things in Business,' dwelling particularly upon the grammatical errors and solecisms he had frequently heard. There were many of them,

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such as, 'We ain't kept them goods yet, ma'am.' His hearers were convulsed with laughter, the lesson had been driven home without one of them being offended. The way thus paved, the social secretary presently introduced weekly half-hour lessons in simplified business phrases such as are constantly required in department-store transactions. Subsequently, the scheme was expanded to take in lessons in writing, deportment, etc." [1]

The direction of "welfare" plans must be made an organic part of the organization and administration of the business as a whole. Someone has drawn up this scheme of the services of a business enterprise:

"Good organization, prevention of trouble, including industrial, audits, consultation, legislative counsel, arbitration proceedings; formulating employees' demands and employers' demands; factory and store hygiene reports; safety reports; reports on employment departments and sources of labor supply, on selection, training and education of workers in factories and stores, in civil service methods in factories, stores, railroads; promotion plans; reports on living-wage plans, profit-sharing plans, pension and insurance plans, wages and cost of living, minimum wage, welfare work; reports on costs, waste management of efficiency work, inspection methods, reorganization; reports on relations among the personnel; installation of records of in-

[1] J. S. Lopez: "The Social Secretary," *Harper's Weekly*, Mar. 9, 1912, p. 11.

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dustrial relations; reports on management-sharing plans, committee systems, joint boards, trade agreements, facilities for industrial education and training, housing, surveys in connection with city and commonwealth planning."

While this scheme is drawn up for an association of managers, it is just such a plan as would have to be considered by any wide-awake modern business corporation. It shows clearly that no one "social engineer" could ever master and direct such an organization alone; and that the general policy and many details must be decided upon specialist advice by persons in authority in the corporation or firm.

The Ideals of the "Capitalist Managers."—The editors of *Concordia*[1] help us to see ourselves as others, especially Germans, see us, in a critical article on the American "Taylor" system of efficiency.

"We can recognize at once the entirely sober, practical and business thinking of the American. The special inducements of the employers are to him nothing more than means of attracting the workman and of stimulating him to work. In this journal we need not once more represent to our readers that the entire welfare system of industrial branches, at least according to the German view, has a much deeper meaning; that in this movement another decisive factor is the endeavor to maintain a steady, skillful stock of operatives who take satisfaction in work; and that before all else the idea of community in labor, mutual help, support of the weak, and,

[1] *Concordia,* Berlin, June 1, 1914.

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in other words, that higher ethical principles are essential and controlling considerations. It cannot be asserted that all this would disappear with the task system. When we survey the entire significance of this system, we should exactly here, where the most intensive increase of work speed is sought, not fail to urge those higher requirements, since then especially man as personality must be set in apposition to the American conception of man as a machine."

That is not pleasant reading for a lover of the Union; it is an exceedingly unpalatable dose, and it is by no means exceptional in German criticisms of American industrial morality. It is not altogether a fair characterization of us to say, as German writers often do, that we are "worshipers of the almighty Dollar," and care nothing for working people. The Socialists of Germany might be quoted to show that the employers there are not all as tender as St. Francis and as just as Solomon. But we can afford to forego a stinging reply and extract from the bitter fruit its wholesome lesson and try to mend our ways. Just because at present the ideals of the capitalist managers are backed by the greatest financial resources and the most concentrated social and political influence is it of supreme national moment that they guide us as a people in the right direction.

Educating Business Managers in Social Politics.— Evidently the initiation and administration of "welfare work" lie ultimately in the hands of those who control and direct capital. They cannot farm out to others any, even the slightest, responsibility, ex-

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cept in matters of special details. The engineering schools and the higher schools of business must recognize that men are not educated for business simply by being trained in the technique and mechanics of their line of industry or commerce. In our age the most vital and the most complex problems have to do with the management of large groups of men whose interests and ideals are facts as solid as the rate of interest, the law of Gresham, or the resistance quality of metal or wood. The study of "social politics," in the largest sense of the word, must be part of the preparation of all ambitious young business men. Not even a study of law will be sufficient; for law expresses the judgment of men on conditions which have largely passed away, while many of our problems have to do with swift adjustment to new situations. Many of the best devices for improving physical, economic and spiritual welfare could never be required by a statute. There are three principal factors in successful business management: mastery of the technique of the industry, mastery of the technique of the market and ability to get on with the workmen on a basis of humanity and justice. It is impossible to say which is more important. The public is more sensitive than formerly to abuses of power in industry and commerce, and adjustment of business to the moral demands of the nation, partly expressed in social legislation, becomes increasingly necessary as a condition of success. But there is a further consideration which weighs heavily with a strong man of the highest class—they desire to be

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good citizens, they have ideals of service, and wish to be counted with Abu Ben Adhem "as one who served his fellow-men." Fortunately for themselves and the world this idealistic vision has become a dominant factor in the lives of many of the worthiest representatives of the capitalist manager group. "May their tribe increase"!

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CHAPTER IX

MORAL AND RELIGIOUS INFLUENCES

The first Coöperative Safety Congress met at Milwaukee in 1912; it was called by the Association of Iron and Steel Electrical Engineers and in it were represented not only the state and federal governments, but also great corporations, insurance companies and students of social politics in the large sense. The Chairman, Dr. Lucian W. Chaney, Department of Commerce and Labor, at the first moment said: "I wish to impress upon those present that the effort in which we have entered is distinctly a phase of applied Christianity; and therefore it is exceedingly appropriate that we invite Dr. Steiner, Professor of Applied Christianity in Grinnell College, to offer a word of prayer as we begin." In this prayer these thoughts are expressed: "May our consideration of the safety of labor and the toiler be rewarded by a higher respect for humanity as a whole, a greater regard for law, a purer and deeper and higher patriotism. May it (the work) be as solemn as it is sacred, and may it be as useful as we try to make it holy. We ask it all in the Master's name, who gave himself for the good of men."

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THE MORAL STANDARDS IN INDUSTRY AND ITS ADMINISTRATION

The mental confusion of conflicting ethical standards is a tragical phenomenon of our times; and until agreement can be reached on matters of principle, the very conscience of men will induce them to fight for what they believe is right, though it is anti-social. Moral beliefs and judgments as to rights and duties are profoundly influenced by experience, by contact with the hard realities of the everlasting struggle for existence and for power. Attention has often been called to the persistence down into our own times of "tribal morality"; that is the recognition of the rights of persons who belong to a certain group or race, while all outside that circle are aliens and enemies without rights.

The mischief of this "tribal morality" is that it is mostly below the threshold of consciousness, a submarine torpedo, a deadly floating mine in the path of travel. We live in such restricted groups that we know comparatively little of the inner standards of near neighbors until an explosion occurs. We may be able to see the mote in our neighbor's eye and not discern the beam in our own. We may soon look down with pity or contempt upon the "class consciousness" of a supposedly inferior class and never suspect, even at church, that our own bigotry is hiding our narrowness from ourselves. It must be a shrewd father confessor, well trained in social psychology, who can aid his penitent to discover when

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he has transgressed, when the very standards of right and wrong are so widely apart.

There is need of patience and teaching, in relation to trade unions.[1] "Deceit and fraud are always sanctioned by the folk-custom of persecuted or oppressed groups, because it is by these means only that they are fitted to survive the uncontrolled domination of a master race."

This same tribal morality is found in shops. Among the unorganized laborers it takes the form of deceit and pretense; among the organized it may assume the shape of sabotage against employers and of club "persuasion" of "scabs." Examples of this tribal morality are given by employers. "Complaints came from our men (non-union) that they were being abused. Hot rivets were being dropped on them; monkey wrenches and like objects were dropped on them from above, all claiming to be accidental. When they were remonstrated with a fight ensued, and twelve or thirteen of our men were sent to a hospital." The business agent was known to be a crook, yet he was retained in office by the union. Later the union broke its agreement; men were called out on flimsy pretexts and the superintendent was attacked by a riotous mob and badly injured. The output was lowered 36 per cent.[2]

Is there any remedy? Making the trade unions responsible in their funds by incorporation has gen-

[1] Page: Trade Morals, p. 191.

[2] Mr. Piez: Testimony before the Industrial Commission, 1914.

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erally been proposed by employers. The trade unions refuse this because they do not trust the courts. This would at best be a superficial remedy, of doubtful efficiency so long as the present creed of unions persists. That creed has been produced by their subjection to capitalistic management; they see no other way to protect themselves, to survive, except through deceit and sabotage, or by organizing a military government over against the state. The only way to change the creed is to remove its cause; when working people see and feel that they have a legal right to an impartial hearing, and are no longer under a domination which will not tolerate open discussion by their own representatives, the tribal morality will slowly yield to that permitted by a higher morality, that of free men in a democratic nation. They cling to the union in spite of the heavy dues, the severe discipline, financial burden, and immoral methods, because, in the matter of wages, they have no other mode of securing quasi-public representation. So long as capitalistic managers deny that their own rule is absolute and arbitrary, no matter how philanthropic their intentions and feelings—so long there will be no prospect of national morality replacing tribal morality, in the hearts of the wage-earners.

Mr. John H. Walker, a labor leader, explained industrial unrest by what he called "the double standard." "A workingman is expected to do a fair day's work for a fair day's pay—to work at least eight hours a day and not to demand more than is

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sufficient for him to maintain himself decently. No such restriction is placed upon the value of a business man's or employer's services. He is expected to get as much money as he can and the more he gets the more credit he receives. Workers feel this either consciously or unconsciously, and it gives them a sense of injustice. They feel they are nonentities and only so many tools, with no consideration accorded them, and that they must submit to the caprice of the other side as to whether they shall have a living at all."

Under such conditions the open shop is not a workplace; it is only a newly fortified trench for another battle.

The significance of tribal morality for our discussion lies in the fact that in and through welfare work the managers of industry have a chance gradually to experiment with the earlier stages of approach to a real democracy in industry which alone can supply tuition in the higher social morality. While men wait and hesitate Socialism lurks at the door.[1]

Religion: Dangers and Obstacles.—In a homogeneous community, where a state church is at least passively accepted by the people of the neighborhood, the patriarchal patron may encounter no opposition in providing moral and spiritual agencies for those who are in his employment. It may be taken as a matter of course when he provides a chapel, supports a minister and offers ethical guidance at his own cost. But this idyllic condition is

[1] Page: Trade Morals, p. 211.

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now rare in Europe and America; and generally the adult workmen resent any attempt on the part of their employers to interfere with their spiritual life or to direct their morals. Many urban workmen detest what they regard as the moral standards of capitalists and their representatives in respect to industrial relations. In our American cities we have a composite crowd of men of all creeds and of none: families of all tongues who have at least one thing in common—they cannot understand a service conducted in English.

The antagonisms of economic strife are also likely to cause men to look with a degree of suspicion on any doctrine which is favored by the managers. The employee is often ready to expect some doctrine which teaches passive obedience while he is struggling for his rights and interests; and he is inclined to imagine, when he hears of the joys of Heaven, that it is an attempt to divert his attention from collective bargaining for higher income in this world.

It must be obvious that the supreme factor in exercising moral and religious influence with employees is the character and conduct of the employer who professes to hold to a high moral and religious standard. It is of course essential to a wholesome influence that the employer give evidence of trying to live up to the current moral standards; that he be sober, decent, clean, just, kind and good to his family and neighbors.

But of late it has become clear to many workingmen that an employer may exhibit all the traditional

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and conventional virtues required by the church and yet be to them practically a bad man. He may pay "good wages," have a clean shop or mill, require no more than legal hours of labor, and yet he may represent to them a hard tyranny, a barrier to their progress, a destroyer of their hopes. The more sensible, logical, and instructed among them, especially if they have imbibed the fundamental ideas of Socialism, may not feel direct personal hatred against an individual capitalist manager; they will say that he is just as much a dupe and slave of the present system as they are. They know that the most powerful corporation cannot at once escape from complicity with conditions which wreck health and reward those who do the hardest labor with a pittance and then cast them into the rubbish heap when they are injured or aged. The new moral requirement is that an employer give evidence that he is not only trying to do the best he can for his employees under present conditions, but that he is helping them change the system itself to make a higher morality possible. And here, in the present state of divided class opinion, agreement is practically hopeless, although it may be possible to secure a better understanding of the exact points at issue.

Gratitude is not always to be expected. Misunderstandings are inevitable; and therefore the responsible manager of a great concern must base his sense of duty on some deeper, broader and more durable foundation than expectation of grateful recognition. Many an employer, starting with the

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hope of winning the pleased appreciation of those whom he sought to benefit, has been painfully disillusioned, and has given up his high project, on which he was ready to spend much money, with disgust, and a firm determination ever after to "do business on business principles"—whatever that may mean—and leave philanthropy and religion to dreamers. Deeper reflection may temper this harsh conclusion, and the profound study of social evolution may explain to the philosophic mind that antagonism in social creeds arises inevitably from economic class struggle for a larger share of the profits. Only as we see that the spiritual values are in the calm places at ocean depths below these surface waves, can we retain equanimity and promote the eternal interests, whatever may happen in our time.

The wisest employers know well that their duty should be determined by their own convictions and ability, not by the accidental element of appreciation by others. Martyrs in both science and religion have had bread to eat which the multitude could not discover; if they had waited for thanks, praise or gold, the world would have been poorer. But time reveals all that is genuine; and the honest man, however misunderstood, has "light in his own clear breast" and does his duty whether those for whom he strives praise or blame. Little as some wage-earners believe it, there are rich men who are also men of conscience; neither hypocrisy nor nobility is bounded by economic class lines.

Simply on grounds of efficiency in method the offer

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of spiritual service must take on democratic form to be useful and acceptable. If a rich man wishes to build a church or establish a lectureship it must be done as a member of the community, not as a mark of overlordship. Many a time the artisans have left the fine church empty and assembled within bare walls in order to worship with free and sincere souls.

Ability defines responsibility; control of some of the conditions of physical and soul life lies with the employer, whether individual capitalist or corporation, and with control goes corresponding duty. We may note here some of the ways in which employers have made an effort to meet the requirements of their position.

Libraries.—The library may be made one of the most attractive, popular and persuasive agencies of forming good character. It occupies a considerable place in many "welfare" schemes, both in Europe and America. Its advantage lies in the fact that it is impersonal, unobtrusive, does not demand a confession of sin from its patrons, nor administer to them a rule of penance nor require subscription to a creed. Its disadvantage is that it does not offer personal friendship, sociable interplay of thought and emotion, or any form of outward activity. A taste for good reading must be acquired, and books are by no means a source of joy to the primitive man. In spite of their limitations "good books are the life blood of master spirits" and, once invited to acquaintanceship, they are among the noblest allies of virtue and faith.

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Protection of Girls in Work-places.—The protection of girls in shops and mercantile establishments is a serious duty of employers, one which cannot well be fixed by statute. In some stores women are required to leave the place in the evening by the front door in order to avoid a dark street and start on their way home in a lighted and protected highway. Detectives are sometimes employed to mark and punish lewd fellows of the baser sort who are always watching for a prey to their lust.

Since floor-walkers and foremen have been known to make improper advances to girls the rule has been announced by certain employers that the girls can come directly to the head office if they have difficulties or desire to present complaints.

An efficient woman social secretary is a good protector of girls, and they are more apt to lay their grievances before her than before a man. Such a social secretary should be a woman who has brought up daughters of her own and has had wide life experience.

Farming Out the Task.—Some of the largest corporations in the United States have gone about the work of providing spiritual influences by subsidizing the Y. M. C. A., and, in a few cases, the Y. W. C. A., where girls and women were concerned. The advantages of this course are obvious. These associations have developed a marvelous organization and technique; they have recruited and trained a loyal, enthusiastic and able corps of agents who know what to do; they are undenominational and respect-

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ful toward those who hold different creeds or none. They have a genial spirit and seek to satisfy all sorts of legitimate wants, whether they are labeled "religious" or not. They do not annoy, nor threaten, nor tease patrons and members. They make the distinctly religious services as attractive and helpful as possible, but do not make other enjoyments of their privileges depend on attendance at prayer-meetings; so that persons who reject their creed can enjoy their tennis grounds and swimming pools.

These advantages have been discussed and appreciated by many railway and other companies who have spent the money of stockholders to establish and maintain the Y. M. C. A., on the ground that whatever helps character and conduct increases industrial efficiency and hence enlarges dividends. Very able business men believe that this is a paying investment. This is not the highest motive, but it answers the purpose of providing funds, and justifying expenditures with stockholders.

Not only labor leaders but employers have often entered into friendly coöperation with the representatives of the Association. More than 300 associations serve thousands of immigrants every year; they meet immigration trains, guide men to their friends, protect them from exploitation, find employment for them, take them to good boarding houses and attract them to ways of honesty and clean living. These immigrants are gathered into naturalization classes, taught the rights and obligations of citizenship, helped to take out their papers. In one recent

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year more than 1500 teachers were employed to teach foreigners in 1,221 classes, and these teachers were, for the most part, unpaid volunteers who were ready to serve their fellow-men, their country and their God. Nearly 200,000 men were brought into halls, schools, vestries, social centers to listen to lectures upon topics of interest to industrial workers, such as: the discovery of America, independence, naturalization, patriotism, the life of Christ, the life of Lincoln, of Franklin, of Washington, or industries of the United States.

Colleges, universities and technical schools have enlisted in this service. Probably more than 3,500 undergraduates are teaching 60,000 workingmen and boys each week in definite constructive service, while 3,000 graduates are promoting the movement. "In one college town through the entire winter, the son of a railway magnate who has 25,000 men under him, taught a group of foreign laborers in one of the worst districts of the city." These students will in a few years be leaders in commerce, captains of industry, legal advisers, members of legislatures, officials of public administration, and they will be prepared for intelligent sympathy with working people; they will know how to manage men with less friction and better mutual understanding.

Naturally these students try to help the working boys and men in the line of their present needs, holding educational classes in English, mathematics, mechanics, drawing, plan-reading, first aid to the sick and injured; but also leading in factory games

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and sports; organizing and conducting boys' educational, social, dramatic and athletic clubs, Boy Scout patrols of factory apprentices, work of Big Brothers for lads with wayward tendencies, camps and "hikes" in the country for Sunday outings in the summer.[1]

Naturally religious young men will by work and deed influence the beliefs, ideals, character and conduct of these thousands of boys and men whom they serve. It is difficult to see how employers desiring to help the higher life of the employees can find a better agency for the purpose.

Methods of Y. M. C. A.: in Camps.—Some concrete illustrations will make clear the essential character of this service.[2]

The man who introduces welfare work for the sole purpose of preventing labor disputes will probably be somewhat disappointed. Real welfare work belongs to "love" more than to "expediency." Yet, men are not wholly lacking in the industrial world who are willing to spend a few hundreds of dollars in a generous way to keep down discontent that might cost them a ten per cent. increase in wages.

[1] Particulars will be furnished by addressing Secretary, Industrial Service Movement, Y. M. C. A., 124 East 28th St., New York City.

[2] Truman S. Vance (former Industrial Secretary, International Committee, Y. M. C. A., Warrenton, Va.): Article entitled "Welfare Work as a Way to Prevent Labor Disputes" in *Annals of the American Academy,* Sept., 1910, 127 ff.

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In the case of the Winifrede Coal Company, employing nearly a thousand men at Winifrede, West Virginia, the welfare work done by the association helped the company in many ways in their dealing with their employees. The fact that the company officials seemed really interested in the men for their own good had weight with the men in time of pending strikes, etc. In 1893 a serious strike was averted when the men with nearly all the surrounding companies had struck.

"The causes of labor disputes are often as imaginary as real. Without doubt there are numberless cases of unfair division of profits, wages, on one hand, and dividends on the other, being out of proportion to the service rendered; or conditions and surroundings of the workers may be needlessly bad. But often workers waste their wages in dissipation and are rendered surly and discontented by the thought that years of labor have left them nothing the gainer in anything. The welfare work done by the Young Men's and Young Women's Christian Associations in industrial fields wisely lets alone the question of wages and dividends and confines their work to the betterment of morals and environment. While I was employed looking after some cotton-mill work in the South, there came to me confidential reports of a marvelous work being done in some construction camps along the line of the Chicago, Milwaukee and St. Paul Railroad extension to Seattle. . . . The first point where work was taken up was at Pontis, South Dakota, where some five hundred

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men were building a $2,000,000 bridge over the Missouri River. Every bunkhouse was full to overflowing and many sleeping in box cars; but the company agreed to send up an old passenger coach to be used for Y. M. C. A. purposes. Allow me to quote from International Secretary Day's Report: 'I found there was no one in charge of mail for the camp, and as a consequence it was brought from the little post-office at Flora, two miles away, at irregular intervals and dumped onto the counter, where were sold tobacco, overalls, etc., with the result that in such a promiscuous mess it was a common occurrence to have letters lost, or the envelopes worn out before they reached the owner. Then, too, it was impossible for anyone to register a letter, or secure a draft from the bank at Mobridge, which was the only way for them to send money home, without losing a half-day's work. So I suggested to Mr. Morrison that he immediately take charge of the mail in the camp, build pigeon-holes for the letters and provide boxes for paper, etc., and also offer to register letters for the men and provide them with postage or other conveniences. We also got out immediately a large quantity of letterheads and stocked up with pens, ink, etc., and provided every bunkhouse with suitable writing materials and urged the men to write letters home, offering to mail them twice a day. The effect of this was that even the foreigners who could not understand our language could understand our kindness, and they felt kindly toward Mr. Morrison. The result of this work

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was that the number of letters written home increased threefold immediately.'

"One of the worst evils in these camps is the cashing of pay checks in the saloons. This is a great convenience to the men, because they cannot go to town and get their checks cashed without losing a half-day's work. The result is, that they go to these places after work is over, and the saloons always make it a business to have money on hand for cashing these checks; they invariably get a considerable part of it back in the drinks, gambling and other evils which are found in such places. I was able to induce the banker to send the money to the Y. M. C. A. car on the condition that the Y. M. C. A. Secretary guard the money, for it is a risky thing to carry money three miles in a buggy in that country where every man is a law unto himself. At the appointed hour Morrison appeared at the bank mounted on a 'calico' broncho with a six-shooter in his belt, escorted the money to the camp, where he guarded it while it was being paid out; at the same time he urged each man as he received his money to deposit a part of it with the banker; and as a result over $2,000 was put back into the banker's hands to the credit of those hard-working men, making over $8,000 which these men have been induced to save or send home in three months that Morrison has been there, four times as much as they would have saved before. It had been customary there for several months to have at least fifty drunken men in the camp immediately following pay day,

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and it was an established rule that the cooks would get drunk. The first time the checks were cashed by the Y. M. C. A. there were but two drunken men in the camp and none of the cooks were drunk, much to the surprise of the management, and I imagine to the disappointment of the saloons at Mobridge."

The Church.—The most economical and acceptable assistance to church work is a contribution of land, buildings or money to the religious organizations to which the employees and their families are attached, but proselyting investments pay meager dividends.

In this chapter no attempt will be made to demonstrate the reasonable and high value of religion and of the church; the arguments and evidence have often been presented in cogent and attractive form. We venture to assume a degree of interest in the subject for its own sake.

Religion cannot be "proved" to have value; that is to say, one cannot know the subjective worth of an experience except by living in that experience for himself. This is true of the enjoyment of music, poetry, painting, architecture and scientific pursuits, of morality, as well as of religion. The only "proof" of the value of any of those interests is by living personally the life of the artist, amateur, or investigator, and then doubt becomes impossible. Some of the external and social consequences of morals, art and religion, on the other hand, may be observed by an indifferent outsider; and something is due to the testimony of honest souls. Supersti-

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tion may be mixed up with very precious, sacred and noble feelings; but the man of discernment will not scorn the sense of reverence and devotion to ideals because it expresses itself in symbols which to the critic are meaningless.

Taking our immigrant working people as they come to us, we may think them a horde of bigoted aliens, and they are likely to regard our ecclesiastical buildings, rites and creeds as detestable. But they love the ancient church in which their ancestors lived and died, the church which consecrated the infants when they were born, consoled the sorrowful, solemnized their marriages, and pierced the gloom of death with illuminating hopes. Superstitions and prejudices will gradually melt away in the light of knowledge. Sympathies will soon broaden with enlarged experience, especially if the immigrants are treated like human beings and become accustomed to justice and fair dealing. But the deep roots of their morality and good citizenship must not be ruthlessly torn up by proselytism, ridicule or scorn. We must learn to look beneath the surface and discern the reality, the spiritual essence of the faith of the aliens. If we have the means to do so, we may help them to build their sanctuaries and support their priests and parochial schools. Time and community contacts will soften the antagonisms and prejudices. The newspaper, theater, conversation, political discussions, trade-union movements, personal acquaintance, will open their minds to new ideas. Truth will make its own way.

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Men's souls are narrow; let them grow;
My brothers, we must wait.

The justly famous Robert Owen, with all his sagacity and undoubted goodwill, failed to meet the religious needs of his employees because he lacked the historic sense and adequate imagination; he thought that he could make a brand-new liturgy which was better than evolution had produced; and that the people would instantly see the rationality of his simpler ethical creed. His plans were wrecked on a conception of human nature which had no justification in experience. Churches are growths, not manufactured articles. And the man of means who wishes to help the spiritual and moral life of the community must take what the ages have developed and use it, rather than attempt to make a new institution on a pattern from his own fancy. Institutions are stubborn; they have taken time to evolve and they are not easily set aside. The wise leader will get all the good possible out of the ancient and sacred institutions and will modestly wait for the slow but sure transformations wrought by the advance of science, criticism, and education. This is not only the most effective plan but it is also the cheapest, because it utilizes what the ages have offered ready made. The ecclesiastical plant is a free gift of the past; the holy influence of memory and reverence for the honored dead, of forefathers and country, of poetry and music, is something that cannot be extemporized. There is also the problem of

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recruiting, selecting, educating and disciplining the pastors. Under present circumstances this requires the coöperation of organized and responsible ecclesiastical authorities who can vouch for the character and acquired qualifications of members of the ministerial profession. The people will hardly trust free lances in the intimate personal relations of soul cure. For this reason it is unsafe to ignore the historic institutions of the land and age and set up a merely local and personal establishment which must of necessity bear the marks of individual caprice.

Many of us would be glad to see all the churches in each community consolidated into one system. This would conform to the modern business tendency to close up the little shops which do not pay expenses and combine capital and labor in great establishments provided with the best modern machinery and directed by the most capable superintendents. Apparently the drift of ecclesiastical life is in this direction, but it is a dignified and tedious glacial drift. The great Protestant denominations are gradually absorbing the smaller bodies which are akin, and union churches or federations are bringing members of various confessions into some kind of cooperative organization for practical ends. The charity organization societies, with their central registration, act as a clearing house for all benevolent individuals and churches. The Y. M. C. A. and the Y. W. C. A. serve as common instruments by which all the Protestant churches serve the spiritual needs of youth. The mother church of Rome is already an

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international "trust" of religious forces, and asks no advice from the "sects." He would be an audacious prophet who would venture to predict how rapidly this process of consolidation may be carried during the next generation. If anyone is disposed to be too optimistic about the death of sectarianism his boldness may cool at the intrusion of new pestiferous dissenters disturbing the peace in the camp of the unionists. Evidently the human mind is ever brooding a nest of "isms," "lest one good custom should corrupt the world." At any rate we must, to be practical, trust to evolution for future combinations, while we make the best use possible of the sorry mess of sectarianism which our pious ancestors bequeathed to us along with religion itself. Salted with saving good humor the situation is not wholly bad. Theology, like politics and law, economics and medicine, seems to create schools as the most available method of securing progress. The only entirely quiet place, where all can lie down undisturbed by differences of creed, is the last resort of mortals—the graveyard. Few of us prefer that snug harbor to the turbulent but interesting world where nearly everything we value is challenged by some differing soul.

A Universalist merchant of our acquaintance once contributed to a rather narrowly orthodox church in our town, because his wife was a member and because, he said, the members really seemed to feel they could not be good citizens without fear of hell, and he was interested in upholding morality in a

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town where he had investments. He was gracious enough to admit also that they were reliable neighbors, although not as liberal as he liked.

The Protestant manufacturer who employs many Catholics is entirely logical if he assists the good priest to build a beautiful sanctuary for the rites which are associated in their minds with all goodness, purity and hope, although he himself agrees with them only in some fundamentals of faith and virtue. Observation demonstrates that men must be helped in their own way, and that it is better to outgrow a superstition than to have it rudely snatched away by a hasty hand. A man who is large enough to be an employer of men ought to be liberal enough to help men save their souls in their own fashion. This is the principle actually adopted by the most sagacious employers. They know that the churches are necessary institutions; that they have not been created by priests but have grown out of human needs and experiences; and that beneath the external differences a common life is growing and will assert itself some day in a higher unity than anyone can now foresee. What human nature has evolved to satisfy its deepest needs cannot be all bad; and what is false must slowly dissolve, as morning fog, before the majestic sun of science and education. Plant schools and churches side by side, and the teacher will control superstitions and the minister will enlarge horizons even to infinity.

It is a wonderful fact that the great semi-pagan,

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humanist, modernist poet, Goethe, brings his greatest work, "Faust," to its close and climax with the picture of the happy retrospective survey of life's career by a *business* man. Faust had been in the course of a long life a student, a traveler, a philosopher, a sensualist, a dramatist, a ruler; had made experiments with every form of pleasure; but at the summit of his earthly career he crowns his days by transforming a salt desert into a fertile plain where for ages to come happy toilers can earn an honest living by coöperative labor. He makes the very devil himself serve his high purpose; commands him

> Collect a crowd of men with vigor,
> Spur by indulgence, praise, or rigor,
> Reward, allure, conscript, compel!
> Each day report me, and correctly note
> How grown in length the undertaken moat.

What an image of the capitalist manager summoning the bands of workmen to realize the vision and plans of the practical man of affairs! He cannot tolerate the stagnant pool in which nothing thrives.

> This stagnant pool likewise to drain
> Even now my latest and my best achieving.
> To millions let me furnish soil,
> Though not secure, yet free to active toil.

He conjures up the picture of the bold, industrious race which will guard and mend his dyke and till the fields under its protecting wall.

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Up to the brink the tide may roar without,
And though it gnaw, to burst with force the limit,
By common impulse all unite to hem it.

This aged adventurer, eager in his last days, with blindness and night coming on, to complete his work, knows from experience that it is not desirable to bequeath sloth to a people, but only a better opportunity for productive work, with better appliances.

Yes! to this thought I hold with firm persistence;
The last result of wisdom stamps it true:
He only earns his freedom and existence
Who daily conquers them anew.

As we read this mighty song of the modern poet, inspirer of a mighty people, we think of the American Capitalist Manager, the most abused of all citizens, often a colossal sinner, sometimes a cruel criminal; but always full of imagination, a true poet or maker, and often the benefactor of mankind on a scale granted only to the men of such vast design and unbroken courage. Only think what the great leaders of the business world have recently achieved —the railway system from Atlantic to Pacific, the tunnels through mountains, the electric cables under the oceans, the cotton and grain exchanges, the banking systems, the telegraph and telephone systems, the hated but beneficent combinations of capital in manufacture of iron, steel, agricultural implements, textiles, and food products. And these are perma-

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nent possessions of mankind. If ever Socialism appropriates this magnificent apparatus, as it may in the unknown future, its historians will be men of science, and when the bitterness of battle has become a memory their historians will be just, and they will recognize the genius of these powerful business men of our age. Will their salaried superintendents in those coming times have the same vigor, inventiveness, audacity, persistence, courage? At any rate, these works will remain, will be improved, we may hope may be more humanized and socialized, and enjoyed by countless millions.

> And such a throng I fain would see,—
> Stand on free soil among a people free!
> Then dared I hail the moment fleeing:
> "Ah, still delay—thou art so fair!"
> The traces cannot, of mine earthly being,
> In æons perish,—they are there!—
> In proud fore-feeling of such lofty bliss,
> I now enjoy the highest moment—this!

Nor should we forget the mystical hope which follows this vision of earthly success in usefulness, voiced in the song of the angels as they bear up through the higher atmosphere the immortal part of Faust:

> The noble Spirit now is free,
> And saved from evil scheming;
> Whoe'er aspires unweariedly
> Is not beyond redeeming.

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And if he feels the grace of Love
That from on high is given,
The Blessed Hosts, that wait above,
Shall welcome him to Heaven!

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APPENDIX

The following list of establishments, reported to have important welfare work, is not complete, although an earnest effort has been made to secure the addresses of a considerable number of typical institutions in the most important industrial nations. Some firms and corporations are mentioned in the text which are not repeated here.

ENGLAND

BOURNVILLE. George Cadbury
LONDON. Green, McAllen & Feilden, Ltd.
S. H. Johnson & Co., Engineering Works
South Metropolitan Gas Co.
Wellcome & Co., Chemists
MANCHESTER. Westinghouse Co.
NORTHWICH. Brunner, Mond & Co., Mfrs. Alkali and Soda
OLDHAM. Platt Bros.
PORT SUNLIGHT. William H. Lever
SHEFFIELD. Cutlers' Co.

MISCELLANEOUS

MAGGIWERKE. Mills in Germany, Switzerland, France and Italy.

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HOLLAND

AGENTA PARK. J. C. Van Marken, Mfrs. Yeast & Spirits
DELFT. Netherlands Yeast and Spirit Manufactory

UNITED STATES

AKRON, OHIO. Goodyear Tire & Rubber Co.
ALBANY, N. Y. John G. Myers Co.
ALLEGHENY, PA. J. H. Heinz Co.
AMBRIDGE, PA. American Bridge Co.
BALTIMORE, MD. Consolidated Gas, Electric Light & Power Co.
Reinle Salmon Co.
BAYONNE, N. J. Tide Water Oil Co.
BETHLEHEM, PA. Bethlehem Steel Co.
BEVERLY, MASS. United Shoe Machinery Co.
BOSTON, MASS. Boston Elevated Railway Co.
Edison Electric Illuminating Co.
William Filene's Sons Co.
Forbes Lithograph Co.
New England Telephone & Telegraph Co.
Thomas G. Plant Co.
Simplex Electrical Co.
United Shoe Machinery Co.
Walker & Pratt Mfg. Co.
BRADDOCK, PA. Carnegie Steel Works
BRIARCLIFF MANOR, N. Y. Briarcliff Farms
BROCKTON, MASS. W. L. Douglas Shoe Co.
BROOKLYN, N. Y. The Brooklyn Daily Eagle
Edison Electric Illuminating Co.
Ironclad Manufacturing Co.

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The Pilgrim Steam Laundry Co.
J. H. Williams & Co.
BUFFALO, N. Y. F. N. Burt Co.
CHICAGO, ILL. Armour & Co.
Central Telephone Exchange
Chicago Telephone Co.
Commonwealth Edison Co.
Crane Elevator Co.
J. V. Farwell & Co.
First National Bank of Chicago
Hart, Schaffner & Marx
Illinois Central Railroad Co.
International Harvester Co.
B. Kuppenheimer & Co.
Libby, McNeil & Libby
Marshall Field & Co.
Metropolitan Trust & Savings Bank
Montgomery Ward & Co.
Rand McNally & Co.
Richie Paper Box Co.
Sears, Roebuck & Co.
Southern Pacific Railroad Co.
Wholesale Clothiers' Association
CAMBRIDGE, MASS. The Riverside Press
CAMDEN, N. J. C. Howard Hunt Pen Co.
Howlandcroft & Sons Co.
Keystone Leather Co.
R. S. Wood & Co.
CANTON, OHIO. Cleveland Axle Manufacturing Co.
CARLTON HILL, N. J. Standard Bleachery Co.
CHAMBERSBURG, PA. The Chambersburg Engineering Co.
CINCINNATI, OHIO. Cincinnati Milling Machine Co.

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Continuation School
Co-operative High School
The Lodge & Shipley Machine Tool Co.
The Miller, DuBrul & Peter Manufacturing Co.
Procter & Gamble

CLEVELAND, O. Cleveland Clothing Factories
Cleveland Electric Illuminating Co.
Cleveland Foundry Co.
Cleveland Hardware Co.
Cleveland Telephone Co.
Cleveland Twist Drill Co.
Consolidated Street Railway Co.
The Joseph & Feiss Co.
Kelly Island Line & Transportation Co.
National Metal Trades Ass'n.
Sherwin-Williams Paint Co.
Technical High School

COLD SPRINGS, N. Y. J. B. & J. M. Cornell Co.

COLUMBUS, O. Kilbourne & Jacobs Manufacturing Co.

CUMBERLAND MILLS, ME. S. D. Warren & Co.

DAYTON, O. Lowe Bros. Co.
National Cash Register Co.
Thomas Manufacturing Co.

DENVER, COLO. The Colorado Fuel & Iron Co.
The Daniels & Fisher Stores Co.
Denver City Tramway Co.
Denver Gas & Electric Light Co.
The A. T. Lewis & Son Dry Goods Co.

DETROIT, MICH. Acme White Lead Color Works
Anderson Electric Car Co.
Burroughs Adding Machine Co.
Ford Automobile Co.

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Parke, Davis & Co.
United States Steel Co.
DOVER, N. J. H. S. Peters
DUQUOIN, ILL. Majestic Coal & Coke Co.
EAST AURORA, N. Y. The Roycrofters
EASTHAMPTON, MASS. Glendale Elastic Fabric Co.
ELGIN, ILL. Elgin Watch Co.
ELIZABETH, N. J. American Swiss File & Tool Co.
Samuel L. Moon & Sons Corporation
ELIZABETHPORT, N. J. Hygienic Chemical Co.
ELMWOOD, R. I. Gorham Company
EVANSVILLE, WIS. Baker Manufacturing Co.
FALL RIVER, MASS. Bourne Mills
Brown Cotton Mills
FITCHBURG, MASS. Fitchburg & Leominster Street Ry. Co.
FLORENCE, N. J. R. D. Wood & Co.
GARY, IND. United States Steel Co.
GRANITEVILLE, S. C. Graniteville Manufacturing Co.
GREENSBORO, N. C. Proximity Manufacturing Co.
GREENVILLE, S. C. Monaghan Mills
GWYNNE, MICH. Cleveland Cliffs Iron Co.
HARRINGTON, N. J. Driver-Harris Wire Co.
HARTFORD, CONN. Continuation School
HAWTHORNE, ILL. Western Electric Co.
HOBOKEN, N. J. The Adolph Raudnitz Co.
Keuffel & Esser Co.
New York Switch & Crossing Co.
HOMESTEAD, PA. Carnegie Steel Works
HOPEDALE, MASS. Draper Company, Loom Industry
ILION, ILL. The Remington Typewriter Co.
INDIANAPOLIS, IND. T. B. Laycock Manufacturing Co.
ISHPEMING, MICH. Cleveland Cliffs Iron Co.
JERSEY CITY, N. J. Gibson Iron Works Co.

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JOLIET, ILL. Illinois Steel Works
KANSAS CITY, MO. George B. Peck Dry Goods Co.
LAWRENCE, MASS. American Woolen Co.
LOS ANGELES, CAL. The Broadway Department Store
LUDLOW, MASS. Ludlow Manufacturing Association
LYNCHBURG, VA. Lynchburg Cotton Mills
MANSFIELD, MASS. Lowney's Chocolate Co.
MIDDLETOWN, O. American Rolling Mills Co.
MILFORD, MASS. Milford Shoe Co.
MILLVILLE, N. J. R. D. Wood & Co.
MILWAUKEE, WIS. Hoffman & Billings Manufacturing Co.
Milwaukee Electric Light Co.
Patton Paint Co.
MISHAWAKA, IND. Dodge Manufacturing Co.
MOLINE, ILL. Deere & Co.
NEW HAVEN, CONN. Boardman School
NEW YORK, N. Y. American Iron & Steel Inst.
Bloomingdale Bros. Employees' Mutual Aid Society
Brewster & Co.
Colgate & Co.
Consolidated Gas Company
Greenhut-Siegel-Cooper Co.
Hotel Astor
Interborough Rapid Transit Co.
J. R. Keiser, Inc.
R. H. Macy & Co.
The McNutt Non-explosive Manufacturing Co.
Metropolitan Life Insurance Co.
National Biscuit Co.
New York Edison Co.
New York Evening Post
New York Telephone Co.

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The Suit and Skirt Industry
L. E. Waterman Co.
Werlin Quadrant Davit

NEWARK, N. J. Carter, Howe & Co.
The Ferris Bros. Co.
National Saw Co.
Weston Electrical Instrument Co.

NEWTON, N. J. The Valentine & Bently Silk Co.

NIAGARA FALLS, N. Y. The Natural Food Co.
Niagara Development Co.
Niagara Falls Power Co.
Shredded Wheat Co.

NORTH PLYMOUTH, MASS. Plymouth Cordage Co.

NORWALK, O. A. B. Chase Co.

PEACEDALE, R. I. Peacedale Manufacturing Co.

PELZER, S. C. Pelzer Manufacturing Co.

PHILADELPHIA, PA. Baldwin Locomotive Works
Burnham, Williams & Co.
Curtis Publishing Co.
Thomas Devlin Manufacturing Co.
Fels & Co.
Gimbel Bros.
Philadelphia Electric Co.
Philadelphia Rapid Transit Co.
The Standard Roller Bearing Co.
John B. Stetson Co.
Strawbridge & Clothier
Wanamaker's

PITTSBURGH, PA. Amalgamated Association of Iron, Steel & Tin Workers
Equitable Life Assurance Society of the United States
J. H. Heinz
National Safety Demonstration, Bureau of Mines

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Pittsburgh Coal Co.
EAST PITTSBURGH. Westinghouse Electric & Manufacturing Co.
POMPTON, N. J. Ludlum Steel & Springs Co.
PORTLAND, ORE. Eastern & Western Lumber Co.
PROCTOR, VT. Vermont Marble Co.
PROVIDENCE, R. I. Brown & Sharpe Manufacturing Co.
Gorham Manufacturing Co.
Providence Engineering Works
Procasset Worsted Co.
PUEBLO, COLO. Colorado Fuel & Iron Co.
PULLMAN, ILL. Pullman Palace Car Co.
ROEBLING, N. J. Roebling Co.
SALEM, N. J. Ayars Machine Co.
SAN FRANCISCO, CAL. Hale Bros.
SAUGERTIES, N. Y. Saugerties Manufacturing Co.
SAYREVILLE, N. J. Sayre & Fisher Co.
ST. LOUIS, MO. Ames Shovel & Tool Co.
N. O. Nelson Manufacturing Co.
Rankin Trade School
SCHENECTADY, N. Y. General Electric Co.
SCRANTON, PA. Scranton Railway Co.
SEATTLE, WASH. The Seattle Electric Co.
SPARROWS POINT, MD. Maryland Steel Co.
STAMFORD, CONN. Yale & Towne Manufacturing Co.
SYRACUSE, N. Y. The Solvay Process Co.
TRENTON, N. J. John Maddock & Sons
UNION, N. J. The Clifton Silk Mills
WALTHAM, MASS. American Waltham Watch Co.
WATERTOWN, MASS. Walker & Pratt Manufacturing Co.
WEST LYNN, MASS. General Electric Co.
WESTBROOK, ME. S. D. Warren & Co., Cumberland Mills
WHEELING, VA. Wheeling Steel & Iron Co.

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WILMERDING, PA. Westinghouse Airbrake Co.
WILMINGTON, DEL. Joseph Bancroft & Sons Co.

GERMANY

ALTENA. Basse & Selve
ALTONA. C. E. Gatke, Glass Factory
AMOENEBURG. Dyckerhoff & Söhne, Portlandzementfabrik
AUGSBURG. Augsburger Maschinenfabrik
Augsberger Kammgarnspinnerei
BECKINGEN. Kleineisenzeugfabrik—formerly Karcher & Co.
BERLIN. Allgemeine Elektricitäts Gesellschaft
Berlin Banking House (S. Bleichröder)
Bolle, C.
Borsig, A., Machine Factory
Fresse, Heinrich
Gubener Hutfabrik
Haneburg-Berliner Jalousiefabrik
Heymann's, Carl, Verlag
Lowe, Ludwig
Maggiwerke
Resag, F. F., Zichorienfabrik
Schultheiss' Brauerei Aktiengesellschaft
F. A. Seiler
Siemens & Halske
Spindler, W., Farberei und Chemischen Waschanstalte
BETZDORF. Jungschen Lokomotivfabrik
BILLEFELD. Velhagen & Klasing
BOTTINGERHEIM. Grosz Leder Farbenfabrik—formerly Fried. Bayer & Co.
BRANDENBURG. Metzenthin & Sohn
BREMEN. Leopold, Engelhardt & Biermann

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BRESLAU. Prussian Royal Mines.
Wiskott, C. T., Fine Printing and Lithographing
CASSEL. Wegmann & Co.
CLAUSTHAL. Königlichen Obergamts
Prussian Royal Mines
COSSKANNSDORF. Franz, Dietel & Schmitt
CREFELD. Krahnen & Gobbers
DANZIG. Imperial Marine, Technical Instruction
DESSAU. Deutschen Kontinental Gasgesellschaft
Schultheiss' Brauerei Aktiengesellschaft
F. A. Seiler
Verein Anhaltischer Arbeitgeber
DIETRICHSDORF. Howaldtswerke
DÖHREN. Wollwäscherei und Kammerei
DORTMURI. Prussian Royal Mines
DRESDEN. Heyden Aktiengesellschaft
Royal Saxony State Railway
DRIËSEN. C. Stolz
DÜREN. Scholler Bucklers & Co.
DÜSSELDORF. Bruckmann & Co.
EISLEBEN. Mansfelder Kuferschienfen bauenden Gewerkschaft
ELBERFELD. Farbenfabriken (formerly Fried. Bayer & Co.)
ELBING. Loeser & Wolff, Zigarrenfabriken
Schichau-Werft
ESSEN. Theodore Goldschmidt
Friedrich Krupp
Emil Wolff
FRANKFURT. Gold- und Silberscheideanstalt
Hartmann & Braun
Heinsins, Friedrich, Zigarrenfabrik
J. Pfungst, Schmirgelscheibenfabrik

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FREIBURG. Karl Mez
FRIEDRICHSORT. Kaiserlichen Torpedowerkstatt
GERRESHEIM. Gerresheimer Glashuttenwerke
GLADBACH. Brandts, Fr. Mechanische Weberei
M. May & Co.
GOLZERN. Schroderschen Papierfabrik
GOTTINGEN. Levin, Hermann, Woolengoods Factory
GRIEZ. Arnold, Friedrich, Textilwarenfirma
GUBEN. C. G. Wilke, Hutfabrik
GUEDLINBURG. Arnot Gerb
HALLE. Prussian Royal Mines
HAMBURG. Hamburg American Line S. S.
HANOVER. Farbenfabrik Gunther Wagner
HARBURG. Gummi Kamm Kompagnie
Jutefabrik
HEILBRUNN. Bruckmann & Sons, Silverware Factory
ITZEHOE. Alsenchen Portlandzementfabrik
Chas. de Vos & Co.
JENA. Karl Zeiss, Optical Works
KARLSRUH. Wolf und Sohn, Parfumerie und Toilettenartikelfabrik
KARNAX. Hugo Stinnes
KIEL. Technical Instruction
Werft Kaiserlichen
Imperial Marine
W. Spindler Höchster Farbwerke
KÖLN. Demhardt & Co.
Leonhard Fietz
W. A. Hospelt, Fabriken fur Chemische Bleiprodukte
W. Lyondecker & Co.
Rottweiler Pulverfabriken Vereinigten
Van der Zypen & Charlier Co., Ltd.
KOTZENAU. Eisenwerks Marienhütte

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KRIEBSTEIN. Kübler & Niethammer, Papierfabrik
KÜCHEN. Staub & Co.
LAUCHHAMME. Altiengesellschaft Lauchhamme
LAURAHÜTTEN. W. Fitzner, Boilerworks
LEINHAUSEN. Königlichen Eisenbahnhauptwerkstatt
LEIPZIG. Ernest Kirchner & Co.
Koerting & Mathusen
C. Krause, Machine Works
Mansfield, Crh. Maschinenfabrik
Leipsiger Wollkämmerei
LENNEX. John Wulfing & Sohn, Kammgarnspinnerei
LEVERKUSEN. Farbenfabrik (formerly Fried. Bayer & Co.)
LUDWIGSBURG. Anilinfabrik
Badischen Anilin und Sodafabrik
Heinrich Francke Sons, Zichorienfabrik
LUXEMBURG. Deutsch Luxemburgischen Bergwerks
MAGDEBURG. Dr. Eugen Polte
R. Wolf
MAINKUR. Anilinfarbenfabrik (formerly Leopold, Cassella & Co.)
MANNEHEIM. Lanz
Zellstofffabrik Waldhof
METTLACH. Villery & Bock, Steingut und Mosaikfabrik
MULBURG. Aktienzuckerfabrik
MÜLHAUSEN. Schaffer & Co.
MÜNCHEN. Brants, Friedrich
NERDINGEN. R. Wedekind & Co., Ltd., Chemischefabrik
Weiler ter Meer Chemischen Fabriken
NEUNKIRCHEN. Stumm, Gerb.
NEUSALZ. J. D. Gruschwitz & Söhne, Spinnerei
NEVIGES. D. Peters & Co.

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NIEDERWING. Gelsenkirchener Bergwerks
NURNBERG. Elektrizitätsaktiengesellschaft (formerly Schuckert & Co.)
Royal Bavarian State Railway
Siemens Schuckertwerke
Die Vereinigte Maschinenfabrik
OBERZELL. Konig & Bauer, Maschinenfabriken
OCHTRUP. Laurenz, Gerb.
OFFENBACH. Collet & Engelhardt
OSNABRUCK. George Marienhütte
PASSAN. Brauerei Franz Stockbauer
PINNEBERG. Hermann Wuppermann
POSEN. Kreise Neutomischel Herrschaft Wonson
POTSDAM. Gebr. Soran—Schneidermühle
REMSCHEID. Bergische Stahlindustrie
ROTHE ERDE. Aachener Hüttenaktienverein
SAARBRUCK. Royal Prussian Mines (Koniglich Preussiche Bergverwaltung)
SAARREVIER. Burbacher Hütte
Halberger Hütte
SCHEFFBEK. Norddeutsche Jutespinnerei und Weberi
SCHLIERBACH. Wächtersbacher Steingutfabrik
SCHONEBECK. Chemischenfabrik Hermania
SPANDAN. Koniglichen Munitionsfabrik
SPINDLERSFELD. W. Spindler Farbei und Chemischen
STADBACH. Baumwollspinnerei & Weberei
Spinnerei
STEIN. A. W. Faber Bleistiftfabrik
Kohlenbergwerkes Rheinpreussen
STUTTGART. G. Kuhn Machine & Boiler Works
SUCHTELN. Gebruder Rossié
WALDENBURG. Fürstlich Pless'chen Guterverwaltung
WITKOWITZ. Witkowitz Ironworks

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WORMS. Doerr & Reinhart, Leather Plant
Heyl, Cornelius, Lederfabriken
WURTTEMBURG. Wurttembergischen Metallwaarenfabrik, Geislingen.
WURZBURG. Bürgerlichen Brauhauses
ZALENZ. G. V. Geische's Erben

FRANCE

The industrial centers of France have a large number of excellent illustrations of "patronage." The influence of Le Play, Leclaire, and many other magnanimous leaders has been fruitful in this field. Some have been mentioned in the text and others are listed in books and articles cited.

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